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LARGEST CIRCULATION
OF ANY CANADIAN
FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS
DEPARTMENT ON
PAGE 16

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The Nation's Business

Dumping Duty on Imports from United States
The Country May Retaliate in Time
Newfoundland Faced Difficult Decision

Dumping Duties on U. S. Merchandise

WITH the American dollar at a discount, Canada has imposed a dumping duty on U. S. goods. As we have applied a dumping duty against goods from Great Britain, ever since the pound sterling has been at a discount in terms of our own currency, we could not have avoided imposition of a dumping duty on American goods and still remained consistent in our policies. But we may have cause yet to regret this recent order of the Customs Branch.

For many months, Canada has been selling merchandise in the United States with our dollar at a discount of as much as 20 per cent. At no time has the United States imposed an exchange dumping duty against our goods. Now that we have taken advantage of a very small discount on the American dollar to impose an exchange dumping duty we have established a precedent which the United States may be only too glad to follow, if and when our dollar again sells at a discount in New York, a development which cannot be denied as a possibility even if it is not an early probability.

* * *

THERE is grave need for reconsideration of government policy in regard to special duties imposed to meet temporary exchange situations. The League of Nations in its 1932 World Economic Survey was on solid ground when it said, "decisions taken by civil servants in the national interest differ considerably from those dictated by the normal relations of consumer and producer . . . The world is becoming enmeshed in a network of temporary ad hoc regulations which will be extremely difficult to disentangle."

The theory of special exchange dumping duties is that when a country's currency goes to a discount it is able to sell in world markets at lower prices and still obtain at home the same or higher prices than it was formerly receiving. There are many fallacies in this theory but nevertheless deliberate exchange depreciation has been resorted to by various countries in order to obtain advantages in foreign markets. When the nations to which they export find that the effect of their own tariff is considerably reduced by reason of such exchange movements then they usually feel justified in taking temporary protective action.

But in the long run exchange levels between countries must represent merely an equation between the varying price levels in the two countries. The country that gains a temporary advantage by exchange depreciation finds that its costs inevitably rise and its advantage is soon lost. The importing countries then should take cognizance of this rise in cost and gradually eliminate the dumping duty.

Canada was a long time recognizing the fact that prices had risen in Great Britain sufficiently to offset the depreciation in the pound and by the time our Customs Department did recognize it by a change in the regulations, the pound had risen so far that the concession was of no value to the British exporter.

* * *

FOR the convenience of Canadian business at large, it might prove to be useful if provision were made that no dumping duties on account of exchange would be imposed unless depreciation of a foreign currency reached a certain minimum figure, say, ten per cent, and that it then be applied on a sliding scale based upon the degree to which costs in the exporting country have failed to rise in proportion to the exchange depreciation.

* * *

Newfoundland's Crossroads

A GRAVE decision faced the citizens and government of Newfoundland as they weighed the vital considerations set forth in the report of the Amulree Royal Commission.

Perhaps rarely has any official document of this nature contained such a frank, merciless indictment of the weakness of democratic institutions when exploited by leaders with "a reckless disregard of the dictates of financial prudence." If nothing else, the report cannot

(Continued on page 2, col. 3)

BRITISH OFFER BOOSTS BONDS NEWFOUNDLAND

Conditional Upon Acceptance by Dominion of Amulree Advice

BONDS HIT PAR

U. K. Plans to Issue 3% Bonds for Refunding — Partiality to Some Issues Draws Criticism

Announcement in a British Parliamentary paper that the United Kingdom is prepared to guarantee the Newfoundland public debt, at a reduced interest rate, and subject to certain conditions has sent the oldest colony's bonds skyrocketing. Bonds bearing five and 5½ per cent, which have been selling in the low 80's at New York, rose to 100. This is evidence of the higher value placed on a sure three per cent, the proposed new rate, as compared with an uncertain 5, 5½, or even six per cent. Last year the bonds sold below 50 in New York.

The British proposal is that new three per cent bonds be issued to replace outstanding issues bearing higher rates. Some trustee stocks issued in London in 1905, 1910, 1912 and 1923 would be excepted. The United Kingdom proposes to guarantee the new bonds, conditional upon complete acceptance of the recommendations of the Amulree Royal Commission by the Newfoundland government.

Likely of Approval

Since the Newfoundland Legislative Assembly almost unanimously approved acceptance of the conditions of the Amulree report, it is expected that the financing scheme will carry through. Sanction of the scheme from the British Parliament, since it will have Government support, is expected to be given. Action on the matter will be taken in London as soon as possible after Newfoundland's approval, it is anticipated. Approval of the Amulree recommendations means that constitutionally Newfoundland will revert to the position of a Crown colony administered by a commission of three islanders and three British appointees, under the control of the British Government.

Full recognition is given to the seriousness of Newfoundland's financial position in the Parliamentary paper, which states:

"His Majesty's Government in the United Kingdom would think it little less than a disaster if the oldest colony in the British Empire were to default on its obligations. On the other hand it is clear that the present burden of debt is more than the people of Newfoundland can for the time being discharge unaided, despite the utmost efforts."

The British proposals estimate the saving in interest charges to Newfoundland at £350,000 annually (or about $1,750,000) if the plan is approved. A brief summary of the British Government's proposals for refunding the Newfoundland debt follows:

Summary of Plan

1. Great Britain is prepared to undertake financial obligations conditional on complete acceptance by the island of the Amulree report's recommendations, analysed in The Financial Post last week.
2. General responsibility for control of the finances of Newfoundland would be assumed by Britain.
3. Holders of all Newfoundland bonds to be offered, in exchange for their holdings, three per cent bonds, redeemable after ten years, maturing up to 30 years, and guaranteed by the United Kingdom. (See exceptions in 10 and 11 below).
4. Sinking fund of one per cent yearly to be established within five years.
5. Exchange to be made £100 of new bonds for the same amount of old; dollar bonds at the equivalent in pounds at $4.86 2/3.
6. Offer to be good for at least one month after passing of necessary legislation in London.
7. Newfoundland to legislate that any bondholder not accepting the offer, (other than those mentioned in 10 below) shall receive no interest or principal as long as Britain is paying on guarantees or has outstanding advances to Newfoundland.
8. Advances made by Britain in December, 1932, and June, 1933, to meet the island's interest, and for financing during the next three year's be treated as free grants.
9. Offer conditional upon acceptance by holders of such portion of debt as Britain considers adequate.

Exempted Issues

10. Holders of 3½ per cent sterling loans, due 1945, 1950 and 1952, and five per cent sterling loan, due 1943, trustee securities, be allowed to continue to hold these bonds, on which interest as required would be maintained by Britain.
11. Small, four per cent, pre-war, dollar loan; 5½ per cent petroleum monopoly loan of 1932; local bank advances; and four per cent sterling stock, due 1935, be paid off by sale of three per cent bonds mentioned above.
12. Interest due Jan. 1, 1934, to be paid by Britain on trustee securities (see 10, above), and on other bonds at rate they would have received if the conversion operation had been carried through before that date. Payment in latter cases to be made as soon as bondholders have complied with conversion procedure.

All the foregoing is contingent upon passing of necessary legislation by the British Parliament.

Financial circles in London expressed some criticism of discrimination between various classes of Newfoundland bonds. It was pointed out that the plan treats various classes of bonds alike, although present interest rates differ.

Ottawa Hesitates As Provinces Press For Federal Advances

Loans Now $40,000,000 and Cabinet Weighs Policy

PONDER CONTROL

Should Government Demand Power of Check on Expenditures When Cash is Loaned?

From Our Own Correspondent

OTTAWA.—Should the Federal Government continue to add to the already large total of Dominion loans to the four western provinces? Should loans be given under any circumstances? Should such loans be made conditional upon specified policies to be adopted by provincial governments? Should the Dominion insist, as a prior condition to a loan, that the Federal government be given a controlling voice in provincial financial affairs?

These questions have been brought to the forefront because the Federal government within the past week has been considering an urgent request for a cash loan from the provincial government in Saskatchewan.

Total Now Fifty Millions

The advances by the Dominion to these provincial governments has already reached the staggering figure of $40,623,770 and failing a change of policy at Ottawa new demands for financial assistance are certain to be made within the next few months. Unless a severe curb is placed upon the granting of cash assistance by Ottawa these loans will soon assume —if they have not already done so —proportions which will make ultimate repayment either of principal or interest impossible.

Beginning shortly after Britain abandoned the gold standard, throwing currency exchanges into great disorder and placing the Canadian dollar at a substantial discount at New York, the western provinces have maintained a steady stream of applications for loans from Ottawa.

Basis of Loans Broadens

In the beginning these applications arose, chiefly from the fact that the provinces could not float issues of their own securities in the money markets and could neither meet maturing debt domestic nor pay the heavy exchange premium necessary to meet New York obligations. But from these beginnings the policy of assisting the west was broadened to include loans for purely provincial budgetary purposes; loans to provide seed grain; loans to enable provinces and municipalities to pay their share of unemployment relief costs. Subsequently the Bennett government, realizing the endless demands which were likely to be made, endeavored strenuously to curb the outgo of money to the western provinces. In recent months there have been no cash loans, worth mentioning, except for purposes of meeting debt maturities.

Whether or no this policy is to be maintained will not be clear until official information is available with regard to the latest loan. It is believed that the Dominion government last week agreed to make a cash advance to Saskatchewan. The amount is said to be fairly small — running to a few hundreds of thousands — but the purpose to which this money is to be put has not been disclosed. So far as Ottawa is aware, Saskatchewan has no debt maturities to meet at this time so that the impression pre-

(Continued on page 2, col. 6)

Continued Gain In Employment Shown in Nov.

October coal and coke production figures, released during the past week, when compared with figures for the same month a year ago, give an excellent indication of the industrial recovery which has taken place in that time. The increase from September is, of course, largely seasonal.

Employment at November 1 continued to gain although most industrial indices for October were slight below the September level. The gain, which was the result of increased logging activity and some sectional increases in manufacturing, was against the usual seasonal trend.

Softness characterized the chief commodity markets during the past week, the temporary recovery of the United States dollar adversely affecting the main speculative items. Wheat declined steadily throughout the week on bearish news of a large crop in the Argentine and excessive world stocks. Renewed inflationary policies in the latter part of the week caused commodities to rise slightly.

		Change From Prev. Period	From Prev. Year
Monthly	Nov. 1933	%	%
Emplymt., Index	91.3	+ 1.0	+ 7.8
	Oct. 1933		
Coal prod., tons .	1,548,887	+86.6	+ 22.1
Coke Prod., tons	172,508	+11.0	+ 20.0
Rubber imp., lbs.	5,779,781	— 1.5	+114.0
*Weekly			
Carloadings, No. .	47,420	— 0.1	+ 3.0
Cattle sales, No. .	14,545	+ 0.2	— 3.0
Hog Sales, No. ..	24,779	+16.0	— 11.5

* Weeks ended Nov. 18, 23 and 23 respectively.

FORD OF CANADA TO PAY DIVIDEND OF $1 ON STOCK

Rumored Company Will Drop 4-Cylinder Car from 1934 Models

Ford Motor Co. of Canada surprised shareholders and traders generally by the announcement last week that a dividend of $1 a share would be paid Dec. 21 to shareholders of record December 4. There are more than 23,000 holders of the 1,658,960 shares outstanding distributed as follows: 16,000 in Canada, 6,000 in the United States and the remainder in 30 other countries. The last payment was in June, 1931, when 60 cents a share was paid.

Shareholders had not expected a further disbursement in dividends until actual earnings warranted such payment. Wallace R. Campbell, president, states that 1933 earnings alone do not warrant the dividend, but that the directors feel that the strong surplus and cash position of the company justify this expression of faith that materially improved conditions can be expected in 1934. The company's business already shows improvement, particularly in its overseas territory.

To the end of September Ford of Canada did not sell as many cars in Canada as in the same period of 1932 but in September alone it sold more cars than in September, 1932. Export sales have been increasing.

COURT DISMISSES $350,000 ACTION BY SENTINEL OIL

Financial Post Article Raises Ire of Promoter

The $350,000 libel and damage action instituted against the Maclean Publishing Co. by Sentinel Oils Ltd. and J. F. M. Moodie for an article in The Financial Post, was discharged by the Supreme Court of Ontario, and the costs awarded to the defendants when the plaintiffs failed to raise the $400 deposit required by the Court from non-resident plaintiffs.

The action grew out of an article appearing in The Financial Post this summer, respecting the operations of the Sentinel Oil Co. which caused a writ to be issued on June 13, 1932, in which the plaintiffs claimed jointly $350,000 damages for libel.

In the statement of claim the plaintiffs placed the following interpretation on the article:

(a) that the plaintiff, Sentinel Oils, Ltd., has not successfully drilled its well referred to in the article set out in the preceding paragraph in the sense that drilling of such well was bungled or incompetently done and in the sense that promising findings of oil and gas were not made in said well.

(b) that the plaintiff, J. F. M. Moodie as supervisor and director of such drilling operations did not do or was not competent to do his work properly.

(c) that the defendant and its officers and advisors have seen and have actual knowledge and records of the log, sample and geological conditions of said well, and that these indicate:

(1) that the well has been drilled for 5,860 ft. in the Belly River formation, that the Belly River formation is therefore on end and as a result there is no prospect of obtaining oil and gas.

(2) that the geological formation is badly faulted and therefore the prospects of obtaining oil and gas are remote.

(3) that if oil or gas can be found in said well it will be at a depth beyond reason.

(4) that it is not feasible or practical to attempt to reach oil and gas in said well.

(5) that the public are not warranted in subscribing to the enterprise.

(d) that the enterprise of the plaintiff, Sentinel Oils, Ltd., has been for years, and is a hopeless venture, unworthy of support.

(e) that the plaintiffs propose to continue the drilling of said well and to seek capital for that purpose knowing that doing so is unwarranted by the geological conditions so far obtained and encountered.

(f) that the plaintiff, Sentinel Oils, Ltd., has engaged Cordingley, Pike & Co. as its brokers for the placing or selling of its shares.

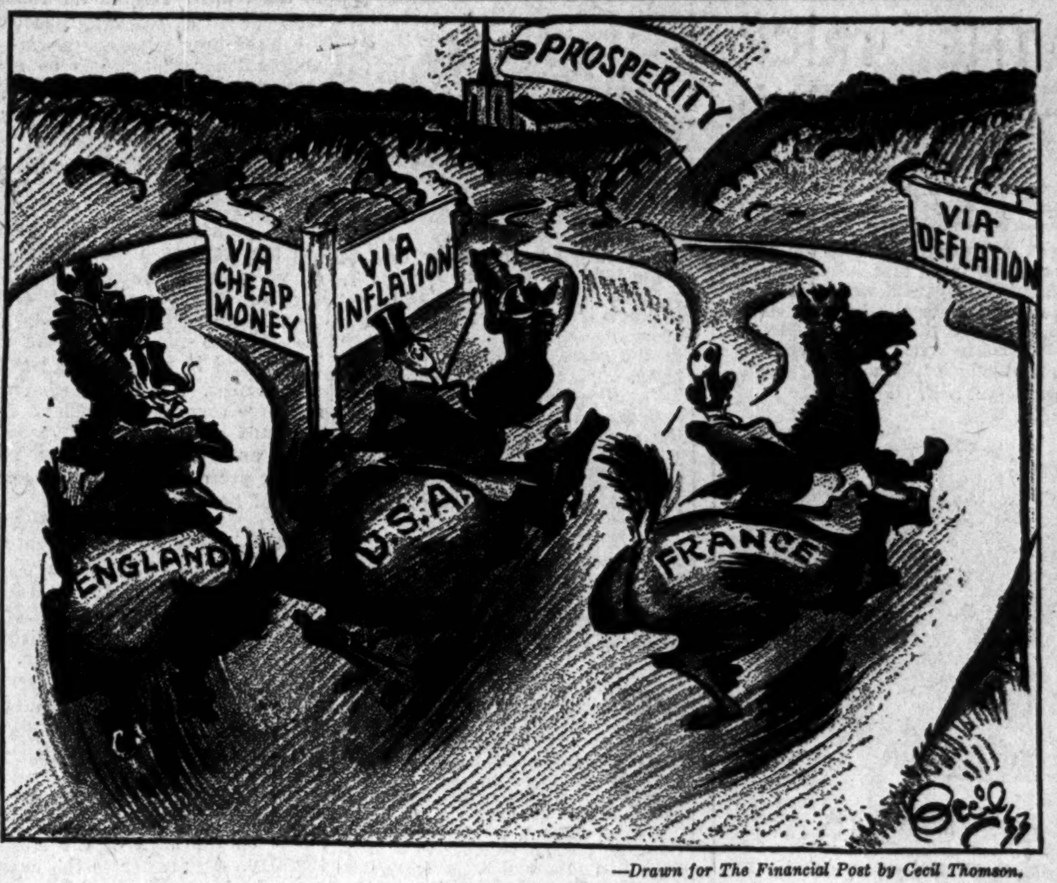
(g) that the plaintiffs are improperly asking the public to subscribe capital for a hopeless venture.

(h) that the plaintiff, J. F. M. Moodie, is incompetent as a geologist and advisor and manager of Sentinel Oils, Ltd.

6. That in consequence of the premises the plaintiff, J. F. M. Moodie, is greatly injured in his reputation as a geologist and mining operator and as president and general manager of Sentinel Oils, Ltd., and the plaintiff, Sentinel Oils, Ltd., has been greatly injured in its enterprise and in offering shares of its capital stock for subscription, and obtaining further capital.

7. The plaintiff, Sentinel Oils, Ltd., therefore claims $250,000 damages and costs.

8. The plaintiff, J. F. M. Moodie, therefore claims $100,000 damages and costs.



—Drawn for The Financial Post by Cecil Thomson.

THE STEEPLECHASE

No Ban on Publicity Contemplated by Banks

Canadian Bankers, With Single Exception, Deny Discussions Have Taken Place on Proposal to Cut Out Advertising

It was reported this week that Canadian bank executives had under consideration a proposal that the banks should join together in a plan to eliminate entirely or in very large measure their advertising activities. Basis of the proposal was reported to be that if all the banks were to drop their advertising the competitive position between them would remain as it is now but that each of the banks would be able to reduce its expenses by the amount now spent on advertising.

Sweeping denials that any such proposal was under consideration or had been discussed in any way were made to The Financial Post by key executives of a number of the banks. One important head official in a large bank stated that discussions had taken place but that nothing of a formal or definite nature had been arrived at. But he was alone in his admission, and he insisted that the discussions were the usual year end parleys with no particular significance; other bankers scouted the report and added gratuitously such comments as "too foolish even to be considered" and "so unwise a proposal that no sane banker would think of it."

Believes in Publicity

The general manager of one of the largest banks said: "We would not think of going into a combination to restrict advertising activities of the banks. Now, more than ever, we feel that the duty of the banks is to use every avenue of publicity to place their position honestly and fairly before the public. There is room and need for the exercise of a much larger degree of imagination in the handling of bank publicity. A scheme to cancel or restrict advertising activities would be interpreted by the press and the public generally as antagonistic and would indicate a complete lack of understanding of the value of public goodwill."

Another general manager said that no such discussions had come to his attention and no proposals had been laid before his bank. "We have been spending less money on advertising but only because we have been spending less money in every direction. We have had to cut our appropriations according to our cloth but we have no intention of cutting out our advertising because it is our point of contact with the great mass of the public."

"Utterly Foolish" Plan

A spokesman for the banks said: "If anyone has made such a proposal it is too utterly foolish to be considered. The report that the bankers as a group have considered a ban on advertising is quite without foundation."

Another banker said: "I can think of no useful argument that could be put forward to justify a ban on advertising. The banks have learned the value of advertising and they know better than to drop it."

The advertising manager of a large bank said: "There is nothing whatsoever in the story that such a plan has been proposed. The rumor has obviously been started by someone desiring to put the banks in an embarrassing position."

Another banker revealed that discussions had taken place on a proposal for a joint advertising campaign by the banks but he stated that the plan had fallen through, at least temporarily, due to the opposition of several of the banks.

WANT CANADIANS ADDED TO BOARD MARCUS LOEW'S

Toronto Preferred Shareholders Claim Interests Require Representation

Holders of preferred and common stock of Marcus Loew's Theatres are being circularized by Robert Walder, of Toronto, himself a holder of preferred shares, suggesting that they sign a proxy and agreement for pooling shares with the Royal Trust Co. until December 31, 1935, with the object of securing more Canadian representation on the Board of directors.

In an accompanying letter Robert Walder states that dividends are $38.50 a share in arrears on preferred stock and that during the time of depression the cost of films to the Canadian company advanced from $53,559 in 1928 to $117,613 in 1932. Three of the directors, he states, are directors of Loews, Inc., and Marcus Loews Booking Agency, which sell films to the Canadian company. Cost of production was highest in 1928 and yet cost of these films had doubled in the five years of declining prices, he sets out.

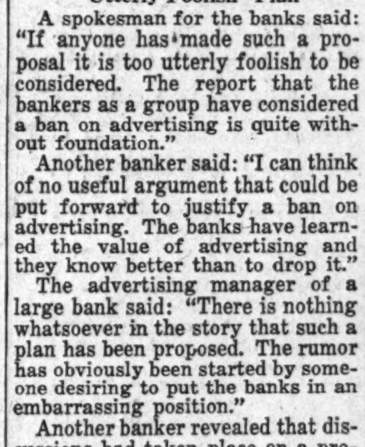
Preferred stock is now entitled to vote and Mr. Walder thinks that it should be represented on the board to scan closely the items referred to. Earnings, he states, were phenomenal in view of the depression. He and other shareholders in Toronto asked the Royal Trust Co. to represent them at future meetings of the company and to vote whatever shares are deposited under the present agreement. The Royal Trust Co. will be aided by a nominating committee of 20 of the larger shareholders. A large number of shares have been deposited but Mr. Walder states that every independent shareholders will have to deposit shares if the plan is to succeed.

King Edward Business Under Level of 1932

Earnings of King Edward Hotel Co. during the past summer are understood to have been somewhat under the level of 1932 but operating expenses were covered. Since operating under receivership, operating costs have been reduced as far as is possible without affecting quality of service and as a result the net return compares favorably with that in 1932. Lack of tourist trade and commercial trade has affected all types of hotels not only in Canada but in the United States and improvement is not expected until there is further improvement in general business.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Nov. 28	45.6	43.2
Week of Nov. 21	46.0	43.5
Month of Nov., 1932	30.2	26.1
10 Public Utilities		
Week of Nov. 28	49	47
Week of Nov. 21	49	47
Month of Nov., 1932	48	47
8 Bank Stocks		
Week of Nov. 28	164	159
Week of Nov. 21	168	162
Month of Nov., 1932	173	161

Highlights of the week

Public Works

One of the most comprehensive surveys of the Canadian agitation for public works yet published. Examination of the unemployment problem; arguments pro and con of public works; what Canada, Britain and the United States have done; where construction stands in Canada. Mr. Bennett's and Mr. Rhodes' views. Page 9.

Tariff Rules

The Tariff Board at Ottawa doffs its costume as referee under the existing tariff rules, and takes its rôle as rules committee on applications for tariff changes. The complex difficulties of the new part. Page 8.

Canal Tolls

Lake shippers think free canals pay their way. The Financial Post's columns present the other man's side of the case in a new series of articles. Page 3.

Immigration Trickle

It may become a stream in 1934. How more British immigrants may be brought to Canada. Page 3. How Brig-Gen. M. L. Hornby, of Lethbridge, would encourage British immigration. Page 6.

Roosevelt's Aims

Obfuscation of the Canadian mind on just what Mr. Roosevelt is doing may be removed by keeping distinct the twin aims of the new deal. J. L. Burton Lewis, who enlightened Canadians on the U. S. bank crash, tells what the objectives are. Page 3.

Company Laws

Where the investor stands under the ten Canadian companies acts, enforcement of which seems nobody's business. What investors have a right to expect. Told by C. A. Ashley of the University of Toronto. Page 11.

Newfoundland

How Britain intends to finance the oldest colony's public debt. Page 1. The Amulree Royal Commission's criticism of Newfoundland's credit system and fishing methods. Page 15. How islanders cling to their bank deposits. Page 13.

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U.S. WILL LET WALKER FINISH PEORIA PLANT

H. C. Hatch Told at Washington Licenses Available for Canadian Liquors

FORM PERMIT BOARD

Demand for First Year Estimated by Tax Authorities at 105,000,000 Gallons — State Taxes Vary

Statement by H. C. Hatch, chairman of Hiram Walker-Gooderham & Worts board, on his return from a hearing at Washington that he was quite satisfied with the administration code for the distilling industry and the marketing agreement cleared away some of the market uncertainty which has been affecting deleteriously market valuation of Walker stock and the stocks of other distillery companies. Stocks ran up rapidly afterwards.

Principal discouragement has been with regard to the following clause:

"Permittees may not use plant equipment additional to that in use at the time of repeal, or new equipment, except under certification by the Administration, as needed by increased demand."

As the time of repeal will be December 5 and as Walker's new plant at Peoria could not be in operation at that time this clause created some excitement. Mr. Hatch, however, states that the clause is to be amended to permit output from all distilleries in course of erection at that time as well as of those now built and operating.

Can Get Licenses

Mr. Hatch also carried good news for investors in stocks of Distillers Corp., Seagrams, Canadian Industrial Alcohol, Brewers & Distillers of Vancouver in that he does not think that it will be difficult in the early stages of repeal for Canadian distillers to get licenses to export to the United States. Walker's has already applied for its license.

Under the code and marketing agreement for the wine, beer and spirits importing industry, the U. S. Secretary of Agriculture is given power to determine the amount of each type of liquor to be imported. He can also fix the amount to be brought in from each foreign country during the period of each calendar month except for the period ending January 31, 1934.

Importers must secure licenses. The permit authority will consist of the Secretary of Agriculture, the Secretary of the Treasury and a representative of the industry. An importers' committee of five members will administer the agreement and adopt the necessary rules and regulations.

Heavy State Taxes Possible

Some of the states propose heavy taxation. Pennsylvania, for instance, proposes a floor tax of $2 a gallon on liquor in storage. That would take $6,000,000 from Schenley and $6,000,000 from National Distillers. Maryland, not so drastic, proposes $1.10 a gallon excise tax, a license fee of $250 a year for places selling liquor for consumption elsewhere than on the premises, $250 for clubs, $500 for taverns and $1,000 for hotels and restaurants.

H. L. Lourie, U. S. Tariff Commission expert testified at Washington on November 24 that plants now in operation in the United States can produce a total of 115,000,000 gallons of grain spirits a year and that supply could be increased 40,000,000 gallons yearly by new plants now being constructed.

A. S. McLeod, economist of the Treasury department, expressed the opinion that under present excise taxation, of $1.10 a gallon, consumption would probably be about 105,000,000 gallons of liquor in the first year of repeal. With an excise tax of $1.50 a gallon yearly consumption would drop to 93,000,000 gallons and at $2 per gallon to 85,000,000 gallons. He based these conclusions on a study of conditions before repeal and the experience in England.

Dr. J. M. Doran, a commissioner of industrial alcohol and former chief of the U. S. Prohibition bureau, testified that there are now 1,000,000 gallons of whisky with a maturity of at least four years "intact and untouched." There is also from 17,000,000 to 18,000,000 gallons of "straight" liquor with a maturity running upwards to four years and between seven and eight million gallons of "high proof spirits." Only about 15,000,000 gallons of this whisky can be put at once into consumptive channels. A part of the 17,000,000 gallons of "straight" whisky will be held for maturing. In the first four years of repeal it will be necessary for the industry to operate at full capacity in order to supply immediate demands and store stock for maturity.

MacKinnon Steel Avoid Operating Loss

From Our Own Correspondent

MONTREAL. — Small orders received since the beginning of the current fiscal year on August 1 last have been sufficient to avoid losses on operations, according to a statement made by D. H. McDougall, president of the MacKinnon Steel Corp., at the annual meeting of shareholders.

The meeting was more or less routine, all of the directors being reelected.

EATON'S

Birkdale

OXFORDS TURN THE TRICK FOR MEN!

IT'S EASY TO get a pair of oxfords for $5.50. The trick is to get oxfords that fit comfortably, wear well, and which are correctly styled.

BIRKDALE Oxfords will turn the trick for you! First, we've such a range of them, that we can fit any average foot. Second, BIRKDALES wear and wear ..... because they're made from good leathers by skilled Canadian shoe men. And last, but not least, BIRKDALE Oxfords are correctly styled. You'll be well dressed, from a shoe standpoint, if you wear them. Try a pair and judge for yourself!

5.50 PAIR

SECOND FLOOR—Queen and James Streets

THE T. EATON Co LIMITED

SHERWIN PAINTS BETTER REVENUE PAST FISCAL YEAR

Use Part of Surplus Cover All Charges in 1932-33

From Our Own Correspondent

MONTREAL.—Sherwin-Williams Co. of Canada, manufacturers and distributors of paint and allied products, experienced an improvement in earning power during the fiscal year ended August 31, 1933, while the balance sheet reflected a small reduction in working capital and the elimination of a $150,000 bank loan.

Earnings last year were not sufficient to provide for all senior charges. There was a deficit of just over $20,000 before making provision for the preferred dividends amounting to $121,000. These dividends which have since been deferred, are approximately half of those paid in the previous year.

Since the end of the fiscal year the management report some improvement in consumer demand and in the sales position of the company.

Surplus at $3,529,000

Comparative income accounts for the past two years follow:

	1933	1932
Net earnings	$ 133,810	$ 74,167
Less: Deprec.	70,765	91,657
Pensions	34,382	26,557
Income tax	4,117	2,875
Doubtful accts.	45,000	......
Net income	*20,455	*46,421
Less: Pfd. divs.	121,000	242,200
Ord. divs.	......	160,000
Balance	*141,455	*448,621
Brought for.	3,720,985	4,169,607
Carried for.	3,579,430	3,720,986

* Deficit.

At the end of its last fiscal year Sherwin-Williams had assets with a book value of $13,961,455 compared to $14,235,267 at the close of the previous year. The principal changes are to be noted in the working capital position.

Liquid Position Easier

Among current assets inventories recorded a small increase to $1,780,089. Accounts and bills receivable are also up, from $1,515,583 to $1,586,045. Cash on hand, however, shows a reduction from $418,796 to $100,261.

Marketable securities held by the company on August 31 last had a cost value of $720,270, against which $151,905 had been written off, leaving a net book value of $568,362. This compares with a market value of $436,434.

At the end of August last year the company had marketable securities costing $807,349, or nearly $100,000 more than a year later. The amount written off then totalled $158,773, leaving a net book figure of $648,615 as against a market value of $497,122.

Investments in capital stocks of associated companies are practically unchanged at $539,131, while the property account stands at $9,308,562.

The principal change among the liabilities is the elimination of a $150,000 bank loan. Current liabilities are down slightly, from $341,765 to $334,522. Current account with the Carter White Lead Co. of Canada has been reduced to $233,050.

No change has taken place in the capitalization of the company.

THRIFT STORES PROFIT HIGHER FOR HALF YEAR

Earn 90 Cents a Share on Common Against 45 Cents Year Ago

From Our Own Correspondent

MONTREAL. — Thrift Stores Ltd., operators of a chain of food stores in the Montreal area, report net profits available for income tax and dividends in the first half of the current fiscal year ended October 14, increased approximately 35.5 per cent from the corresponding figure of 1932, net being $33,453 compared with $24,487 a year ago.

After meeting first and second preferred dividend requirements for the half year, balance available for the common stock was equivalent to 90 cents a share. This compares with 45 cents a year ago. This was sufficient to take care of dividends on the junior stock and leave a surplus of $14,113, which was added to the surplus account.

Reflecting economies in operation, increase in net was proportionately greater than the increase in sales which for the period totalled $2,402,972, up $163,174 from a year ago.

LA SARRE POWER CHANGE TRUST DEED

From Our Own Correspondent

MONTREAL.—La Sarre Power Co. bondholders have approved a resolution affecting obligations of the company under the terms of the trust deed. Interest payments from February 1, 1933, to August 1, 1936, are reduced from 6 to 3 per cent per annum. In compensation for the loss of interest, the company gives 2 shares of no par value common stock for each $100 of interest given up.

THE SHERWIN-WILLIAMS CO. of Canada, Limited

Annual Report of Board of Directors for Year Ending August 31st, 1933

TO THE SHAREHOLDERS: Herewith I have pleasure in submitting on behalf of the Directors, Consolidated Balance Sheet of your Company, showing Assets and Liabilities at the close of its fiscal year, August 31st, 1933.

The books and accounts have been audited by Messrs. Price, Waterhouse & Co. and their certificate and report is presented herewith.

In accordance with our usual custom, renewals of and repairs to properties have been charged to Operating Expenses, and the sum of $70,765.47 has been written off to Reserve for Depreciation. It will be noted that total Reserve for Depreciation and Renewals of Plant now amounts to $2,334,452.04, as shown on the Balance Sheet.

Our usual care has been exercised in the taking of all inventories, which have been priced on the basis of cost or market, whichever proved to be the lower.

Through continued economy and efficiency in operation, earnings for the year show an improvement over those of the previous year. In addition, it is encouraging to note some improvement during more recent months in consumer demand and in the sales position of your Company, whose products still continue to meet with general acceptance and appreciation from the public.

All Units of the Organization and their employees continue to operate on a basis of the utmost loyalty and efficiency, and I desire to extend to our workers everywhere sincere thanks for their wholehearted service and co-operation.

The liquid position of the Company continues favorable, Working Capital now standing at $3,497,185.42, and the ratio of Current Assets to Current Liabilities is over seven to one. The Bank Loan of $150,000.00 appearing on the previous Balance Sheet was liquidated during the year and the present Balance Sheet shows no indebtedness of that nature.

The earnings for the past year amounted to $133,810.45 before deducting Reserve for Depreciation and Renewals of Plant, Pensions Paid and Long Service Awards, Special Provision for Doubtful Accounts, and Reserve for Income Tax. After these deductions, the final net result is a loss of $20,455.43.

The Surplus Account now stands at $3,579,430.11, and total Surplus and Reserves as shown on the Balance Sheet amount to $5,933,882.15.

Respectfully submitted on behalf of the Board.
GEO. A. MARTIN, President.

Montreal, November 20th, 1933.

The Sherwin-Williams Company of Canada, Limited and Subsidiary Companies

Consolidated Balance Sheet, August 31st, 1933

ASSETS		
Property Account—		
Land and Buildings, Leasehold, Machinery and Equipment, Formulæ, Trade Marks and Goodwill		$ 9,308,562.64
Investments in Capital Stocks of Associated Companies		539,265.85
Current Assets—		
Inventories, as certified to by the Management	$1,780,089.68	
Accounts and Bills Receivable, less Reserve	1,586,045.57	
Marketable Securities at cost, less depreciation written off (Market value $436,434.75).	568,362.29	
Mortgages Receivable	30,000.00	
Cash	100,261.27	
		4,064,758.81
Insurance and Taxes Prepaid, etc.		48,868.24
		$13,961,455.54

LIABILITIES		
Capital Stock—		
Seven Per Cent Cumulative Preferred—Authorized—40,000 shares of $100.00 each	$4,000,000.00	
Issued — 34,600 shares of $100.00 each	$3,460,000.00	
Note: Dividend in arrear since November 30, 1932.		
No Par Value Ordinary—Authorized—225,000 shares Issued—200,000 shares	4,000,000.00	
		$ 7,460,000.00
Trade Accounts Payable and Accrued Liabilities		334,522.97
Current Account with Carter White Lead Company of Canada, Limited		233,050.42
Reserves—		
For Depreciation and Renewals of Plant	$2,334,452.04	
For Pension Fund	20,000.00	
		2,354,452.04
Surplus as per Statement Attached		3,579,430.11
		$13,961,455.54

Consolidated Statement of Surplus and Profits, August 31st, 1933—

Surplus at August 31st, 1932		$3,720,985.54
Add: Combined earnings for the year ending August 31st, 1933, together with dividends received out of the earnings and accumulated surplus of Associated Companies before making provision for depreciation and income tax, and before charging expenditures shown below		133,810.45
		$3,854,795.99
Deduct:		
Pensions paid to retired employees and Long Service Awards	$34,382.55	
Depreciation	70,765.47	
Provision on account of Income Tax	4,117.86	
Special Provision for Doubtful Accounts	45,000.00	
		154,265.88
		$3,700,530.11
Deduct also:		
Dividends paid on Preferred Stock during the year		121,100.00
Balance of Surplus, August 31st, 1933		$3,579,430.11

AUDITORS' REPORT TO THE SHAREHOLDERS

WE have made an examination of the books and accounts of The Sherwin-Williams Company of Canada, Limited, and its Subsidiary Companies for the year ending August 31st, 1933, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the above Balance Sheet at August 31, 1933, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Sherwin-Williams Company of Canada, Limited, and its Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of the companies.

PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, November 14th, 1933.

Approved on behalf of the Board,

WM. SHEPHERD FALLIS
DOUGLAS A. WHITTAKER } Directors.

The Nation's Business

(Continued from page 1)

help but arouse the deepest sympathy in the hearts of Empire peoples and its words and condemnations should stand as a potent warning, to political leaders in all countries, of the responsibilities of office. And, just here, one cannot help but feel that the financial advisers of this ancient colony may not be entirely deserving of the very lenient treatment they receive in the report. Beyond the remark that political extravagance was "fostered by a conscious stream of willing lenders" there is no mention of the part which banking and finance played in this grim tale.

* * *

AS PASSED by the Newfoundland Legislature this week the plan calls for "a rest from party politics" for a few years, by the voluntary action of the Newfoundland government in turning over its reins of office to a commission who will be responsible to the Governor of the island, and in turn to the British government. The Commission will comprise three Newfoundland citizens and three British representatives and under these six men will be grouped all the major activities of government.

In return, the British government is ready to guarantee the debt of the island, and the whole plan is terminable at the discretion of Newfoundland once rehabilitation is achieved and the island again becomes self-supporting.

* * *

EARLY criticism of the plan seems to indicate two points of dissent. First, it is argued that the settlement sets a bad precedent in Empire affairs and puts the financial burden of colonial extravagance on the back of the Mother Country. An answer to this would seem to be that the Commission deemed it of primary importance to devise some plan for solving the dire economic and social distress of these fine people, as well as to salvage something for those who hold the country's bonds. The two are not inseparable, of course, but if we interpret the Commission's viewpoint aright, the thing which was uppermost in their minds was to provide some clear route out of a vicious political morass, and it was but natural that they should turn to the United Kingdom to provide independent and sympathetic advice along this line. It was difficult to imagine that the political solution could be divorced from the financial, which naturally led to the suggestion that Great Britain too, assist in solving this other major problem.

* * *

THE other criticism which comes both from within and without the Colony, is that the political future of the country is being sacrificed to allow the bondholders to exact their pound of flesh. But the debt can be cut in half just as easily by halving the interest rate as by reducing the principal sum, and Newfoundlanders may rest assured that, even though the debt total remains at its present level, creditors are making a none the less real sacrifice.

* * *

NEWFOUNDLAND in the opinion of the Commissioners, faced three courses of action. On the one hand was outright default in their obligations; on the other was political union with Canada or some workable agreement with Great Britain such as was proposed. Default was ruled out in part because it is to be avoided if at all possible, and also because even default would not solve the Colony's political problem. Union with Canada was wisely dismissed as undesirable unless it could be achieved by Newfoundland "of her own free will on terms which would make her a contented partner." In so phrasing this qualification the Commission probably thought of the endless bickerings that have marked the relations of the Federal government of Canada with the Maritime provinces. In Nova Scotia in particular there are many people who feel that that province was coerced into Confederation. And there are others who constantly preach that the Confederation "contract" has not been implemented in full. There has never been unanimous contentment in the Maritimes and he would be a bold politician indeed who would attempt to outline the terms on which Newfoundland could become "a contented partner" and at the same time satisfy all groups in Canada. The third plan was adopted, and it would seem, though drastic, to be a most reasonable and far-sighted proposal.

As Newfoundlanders read the cool dispassionate story of their history in the past eighty years they may find consolation in the sincere tribute in the report which asserts that "in spite of the pitiable conditions to which they have now been reduced, there is no doubt that the people of Newfoundland are potentially fine material of which any country in the world would be proud."

Footnotes to Ottawa

An Occasional Department of Comment on the Background of Governmental Activities in the Nation's Capital

From Our Own Correspondent

Reply on British Lumber

GREAT activity at the headquarters of the Canadian Lumbermen's Association indicates that a reply is being drafted to the recent onslaught of the British Timber Import Association. The reply will be placed in the hands of the Government and, so far as may be learned, is unlikely to receive general publicity. The Bennett Government probably will present it to the British Board of Trade, which is now dealing with the question of Soviet dumping.

* * *

New Job for Newman

TWO new factors appeared last week in the Canadian National trustee board set-up. While the appointments may be made any day, the Government does not regard the situation as calling for haste. It is learned officially that the board will not take over control of the National Railways until January 1, when the new railway financial year begins. Until then the present directorate will remain in charge. The second factor concerns John C. Newman, hitherto regarded as a certainty for the chairmanship of the board. Mr. Newman, it appears, is unlikely to appear in the final selection for the reason that the Government desires his services in another field. The low water levels obtaining in the St. Lawrence have brought about an acute navigation problem and the Government, almost certainly, will adopt the recommendation contained in the Gibb report at the next session of Parliament.

This recommendation involves the creation of a federal commission to have charge of navigation in the whole of the lower St. Lawrence water system. Mr. Newman, it is understood, will be the chairman of the commission. His choice will follow from the fact that he is an able financier and the proposed commission will have to carry out large and very costly remedial works. In the long view, the water shortage does not now appear to officials at Ottawa as a difficult problem to solve. The main remedial work, it is believed, will be a submerged dam below Montreal, in the vicinity of Lake St. Peter. With Mr. Newman no longer in the running the favorites—as we go to press—for the National trustee board are Hon. C. P. Fullerton as chairman, with F. K. Morrow and J. E. Labelle as his colleagues. But some of the ministers are advising members of the press gallery that the announcement may upset all forecasts.

* * *

Prairie Compensation Claims

THE final act in the return by the Federal Government of western natural resources to provincial control is expected soon in the appointment of one or two commissions to deal with the compensation claims of Saskatchewan and Alberta. Manitoba's claim, it will be recalled, was disposed of in 1930 upon payment by Ottawa of more than $4,000,000. The commissions will be called upon to determine if the provinces would have obtained larger revenues had they controlled their resources from the outset than they actually received from the Dominion in the subsidy in lieu thereof. Manitoba got a large sum of money but the Manitoba resources were denied the province from its inception back in the early seventies. The other two provinces only came into existence in 1905 so that a much shorter period of federal control is involved.

* * *

U. S. Wheat Conversations

THE recent visit to Ottawa of Dr. Mordecai Ezekiel of the Roosevelt brain trust, bent upon persuading the Bennett Government that a definite policy of wheat acreage reduction was desirable, has been followed by conferences here last week between Editor Murphy of Minneapolis and members of the Government. Mr. Murphy was one of the United States delegates at the wheat conference. The Bennett Government is believed to have taken an unfriendly attitude toward a processing tax and the latest suggestion is that farmers who voluntarily curtail their acreage should be given a bonus of 5 cents per bushel on what they do produce. This proposal is now believed to be before the cabinet.

* * *

Want Wheat Dictator

THE wheat agreement, with its definite pledge of reduced exports, and the present drive for a marketing act to cover fruits and meats has been seized upon by members of the almost defunct western pools as a possible means of reviving their fortunes. Representatives of the pools are much in evidence at Ottawa and it is believed they herald the agreement as well as the move for marketing boards as evidence of the desirability of export monopolies. They believe the wheat agreement can best be carried out under a 100 per cent pool and it is being said that they are offering to the Government their large organization and field force in the West as a machine wherewith to convert western farmers to the policy of a single wheat marketing organization.

* * *

Limit to Rail Passes

WHEN parliament reassembles, members of the Commons and the Senate will discover that the Railway Commission has placed new regulations, more rigid than those which caused an uproar last spring, on the granting of passes. The new regulations, it is understood, will affect, chiefly, the passes issued to members of parliament for their dependents. It will be more difficult in future for members to obtain passes for persons who are not members of their immediate families.

* * *

Treasury Saves Millions

THE sharp rise in value of the Canadian dollar in New York funds has occasioned great relief to treasury officials who no longer are confronted with the task of finding money wherewith to meet exchange premiums. At the moment the Canadian dollar is at a premium, but even if it drops back to par, the saving to the treasury will run to many millions per year.

CANADIAN PACIFIC NET MOVES AHEAD DURING OCTOBER

Ten Months Returns Are Only $425,000 Under 1932 Mark

From Our Own Correspondent

MONTREAL.—Economies more than sufficient to offset the decline in gross income have enabled the Canadian Pacific Railway to report an increase in net operating income during October last compared with the same month a year ago.

Conditions in October were not altogether favorable for railway operations. The gross volume of traffic was somewhat disappointing. While the gross income of the Canadian Pacific at $11,984,497 was $295,233 less than for the same month a year ago, working expenses were cut by nearly half a million dollars, so that net earnings of $4,058,447 were $134,873 more than in October, 1932.

OTTAWA HESITATES AS PROVINCES PRESS FOR FEDERAL ADVANCES

(Continued from page 1)

vails that the latest loan must be either for interest charges or for provincial purposes — budgetary or unemployment relief accounts.

Outstanding Loans

The following table discloses the present standing of loans to the western provinces:

Manitoba	$ 7,890,629
Saskatchewan	19,788,905
Alberta	7,082,000
British Columbia	5,862,235
Total	$40,623,770

These figures include loans covering New York obligations, seed grain advances and loans for provincial purposes including unemployment relief. They do not include the outlay of $10,000,000 in the drouth area of Saskatchewan which is, technically at least, a loan concerning which the Federal government maintains the fiction that it may some day be repaid. All farmers who obtained relief from this sum signed promissory notes to repay and, for this reason, it is not considered at Ottawa an outright gift.

Renew as Fall Due

The total would be considerably higher if it were not for the fact that some of the provinces, notably British Columbia, succeeded in floating bonds and repaying Ottawa.

But the bulk of these advances are not going to be repaid for many years to come, if ever, and digests of the various Unemployment Relief act orders-in-council disclose that the Dominion is renewing these loans to the provinces as fast as they come due. In one case, the Saskatchewan government did not even pay the interest and this was capitalized. This occurred in December 1932 when maturing loans of $3,500,000 were renewed with the interest, $179,990 added to principal.

Some Ministers Opposed

It is learned that consideration of Saskatchewan's application last week occasioned a complete discussion of the whole policy by the Federal cabinet. There were sharp differences of opinion. It is believed that a number of ministers are strongly opposed to granting further loans and believe that it would be wiser to allow the provinces to default and pass through a period of insolvency. Their debt would then be dealt with under natural law and they would re-emerge with a reasonable chance of regaining financial solidity. True, this would involve heavy losses to investors, but many ministers believe it better to face these losses now than to allow the western provinces to impair the credit of the Dominion.

Other ministers are opposed to granting loans in the way that has been the rule in the past. They believe that if the western provinces require Federal assistance, the provinces should be prepared to accept Federal supervision. The case of Newfoundland is pointed out as a precedent. It is suggested that during the period they require Federal money these provinces should accept Federal management, removing local politics entirely from the picture. There are other ministers who, while not at all happy concerning these provincial demands, feel that Ottawa cannot either set aside the right of the provinces to rule themselves nor allow them to go into bankruptcy. These ministers believe that the credit of the provinces and of the Dominion is inextricably intertwined and that if one of the provinces were allowed to default the credit structure of the Dominion would be severely shaken.

Seek Permanent Policy

So far as the loan to Saskatchewan is concerned it is understood the cabinet adopted a temporary policy. The province has not received all that it wanted nor, possibly, all that it will get. And between now and the time when future loans must be dealt with a more permanent Federal policy probably will be developed.

The case for taking over control of provincial financial administration during the currency of Federal loans has not by any means the support of a majority of the cabinet. Such an attitude, it is believed, would raise serious political questions of provincial rights. But the case for having a Federal supervisor sit in with a provincial cabinet, advising and ensuring efficient administration, is believed to have a considerable measure of support.

Warning to Manitoba

It is recalled that Premier Bennett compelled Manitoba last spring to adopt greater economies and higher taxation before he would agree to loan the Bracken government the money necessary to meet maturing debentures. At that time he developed the case for Federal supervision in a letter to Mr. Bracken. He said:

"It becomes my absolute duty to say to you in the plainest terms, and I do so with all respect, that in case you anticipate making further requests for financial aid, either by loan or by guarantee or in any other form, favorable consideration cannot be given to such request unless your government is prepared to pledge itself to present a balanced budget by further reductions in proposed expenditures or by increased taxation, or by both; or if convincing evidence is adduced that under existing conditions such balanced budget is impossible then your Government must adopt a definite, prescribed plan whereby the maximum estimated deficit under your proposed budget shall be well under one million dollars.

"Should your government be unable or unwilling to comply with the above requirements, any alternative which can be accepted must be one which meets with the imperative necessities of this time. Again with every respect, I must state that the only alternative I can propose, meeting such necessities, is that the finances of your province be supervised to the extent and in the manner hereinafter set out, by a financial controller who may be nominated by your government but who must be satisfactory to the Government of Canada.

Wide Powers For Controller

"It will become the duty of such controller, and to this end he must be empowered, to supervise all proposed expenditures and thus ensure that no expenditure can be made and no engagement involving expenditure undertaken without his approval. It will also be the controller's duty to make certain that all possible efforts are being made by your government and by the legislature to raise sufficient revenue to meet your obligations, and until he is satisfied that every possible step is being taken and every effort exhausted to this end, no further assistance from the Treasury of Canada can be favorably considered. The necessary steps by way of legislative and executive action will have to be taken by the province to give to the controller the necessary powers, and to continue them so long as loans to the Dominion remain unpaid, or until the Government of the Dominion indicates that the services of the controller are no longer required."

Raised Taxation Level

The Bracken government avoided the appointment of a financial controller by adopting higher taxation as well as further economies. But the issue has now arisen afresh with Saskatchewan.

It is recalled that Watson Sellar went west as an emissary of the Federal government to advise the provincial governments. This is really not the fact. Mr. Sellar made a detailed survey of the financial condition of the provinces for the information of the Federal government. His report, however, has never been made public.

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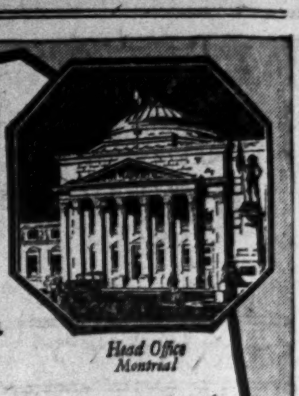

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THE ROYAL BANK OF CANADA

MAY RESUME IMMIGRATION IN NEXT YEAR

Small Scale, Controlled Movement from U. K.

TRICKLE NOW SMALL

Hornby Scheme Favored as Basis for British Community Settlements

From Our Own Correspondent

OTTAWA.—Initiation of a small scale, highly selective, British immigration policy is regarded as a distinct possibility next year.

In the past month there has been a widespread discussion of the immigration problem and Ottawa authorities have noticed with surprise the general tendency to favor the resumption of British settlement on a modest scale. The proposal most likely to be adopted is the Hornby scheme, or some adaptation of it. There is no intention, it is learned of reviving former policies of assisted immigration or land settlement. Nor is it intended to pump population, by artificial means, into the wheat growing areas of Western Canada.

Few Immigrants

Immigration, at the present time, is at the lowest ebb in 66 years. The total for the nine months ended September 30, was 11,115 and the final figure for the calendar year is now expected to be less than 15,000. Not since 1867, Confederation year, has the inflow of population been so meagre. In that year immigration was 14,666 and it grew gradually with the years, ebbing and flowing as between periods of prosperity and depression, until a peak was reached shortly prior to the war. In the 20's the movement was considerable, although the census figures of 1931 proved that the greater part if not all the new population passed on to the United States. The figures for the past four years are:

1929	167,722
1930	163,288
1931	88,223
1932	25,752

Of the 11,115 in the first nine months of this year, only 1,787 were British, while 6,834 came from the United States. The relatively small total of 464 came from northern Europe and 2,030 from other countries. The divisions according to occupation are equally interesting. Only 1,485 were farmers while 1,104 were traders and 702 laborers. It is notable that 3,067 children are included in the total.

Few New Farmers

Obviously the present inflow of immigration is not greatly increasing the farming population and a study of the destination of these new citizens shows the West is receiving only a handful. More than half the total settled in Ontario and Quebec with the former receiving 4,867.

This immigration, of course, is not the only gain in population from outside sources. During the nine months 8,684 Canadians returned from the United States. But even so, it is apparent that the inflow of new population is almost at a standstill.

Advocates of a resumption of immigration include many newspapers and not a few leading citizens. E. W. Beatty has recently published an article on the question in, "Agricultural and Industrial Progress in Canada," a monthly review published by the C. P. R. Many citizens of lesser prominence favor making an effort, now, to revive immigration.

Older Policies Shunned

It is notable, however, that no one has recommended a reversion to former policies; nor does there appear to be any support in Canada for a policy which will involve expenditures by the Federal Government or expose the country to future unemployment responsibilities. It is this feature of the campaign now under way that attracts the favorable attention of federal officials. What is proposed is a definite, planned movement along the general lines of the Hornby scheme. This scheme has been evolved by Maj.-Gen. M. L. Hornby of Calgary and has been urged by him, not without success, on the British Government and many responsible organizations in the Old Country.

It calls for community settlements.

Community training centres are to be established in Canada. Farms will be purchased and their ownership retained. All men nominated from one area in Britain will come out to one community training centre.

Ask U. K. to Finance

It is suggested that the organization necessary for this proposal be set up in the next few month and that the Canadian Government agree to accept settlers in gradually increasing numbers but never to exceed 20,000 per year. All expenses in connection with it would be borne either by the British Government or by private individuals or organizations in the Old Country. It is understood at Ottawa that the cost of this scheme, particularly at first, would be very low and that the British Government is favorably impressed and would not likely demur at a small money vote each year to finance it. Maj.-Gen. Hornby has estimated the cost at $1,000,000 for every 10,000 acres. The British Parliament decided some years ago to vote £3,000,000 per year for the encouragement of British settlement in the Dominions. The Dominions were to put up dollar for dollar but it is thought that the British Government might undertake an annual outlay of this kind without insisting upon the financial co-operation of the Dominions.

Britain to Guarantee

The scheme provides many safeguards. In the event of a settler proving unsuitable he is to be returned to Britain at the expense of the home Government.

It is argued in defence of this plan that it will involve no risk to Canada and will add to our population the blood stream most desired. By selecting families, drawn from one district in Britain, and settling them in a community in Canada, the problem of loneliness and friendliness will be solved.

An interview with General Hornby, explaining his scheme, appears on page 6.

Lake Shippers Claim Free Canals Pay Way

Integral Part of Great Communication Avenue Performs Valuable Service at Little Cost

The Financial Post has taken a stand in favor of imposition of tolls on Canadian canals, in order that those who benefit from the use of the canals should contribute all or a portion of the cost of their maintenance and operation, now entirely borne by the taxpayers at large. The case for such a policy has been published.

There are many who oppose The Financial Post's suggestion. It is not desired that their views should be excluded from The Post's columns as what is sought finally is the policy that is best for the country at large.

Three articles have now been written to present the viewpoint of those who oppose canal tolls. The first appears below. In publishing these articles The Post does not necessarily endorse any or all of the views expressed in them.

Governmental expenditures are a target of criticism for public bodies and individual taxpayers. A succession of unbalanced budgets and growing taxation has brought increasing demands for economies. These demands range over a wide field, including the placing of Federal services on a self-sustaining basis wherever possible. In this connection attention has been directed to the St. Lawrence-Great Lakes canal system and smaller systems on which the Dominion Government spends from $12,000,000 to $14,000,000 annually on maintenance and service.

Economies are essential. Canals can be put on a self-supporting basis by imposing a toll on traffic. At the same time such action, while serving the purpose of raising revenue and relieving the Government of its annual outlay, would conceivably cost producer, manufacturer, distributor and the consumer a sum far greater than the amount now involved.

Hold Important Place in Transportation

Before considering arguments for and against a toll charge, it is well to appreciate the position occupied by canals in the Dominion's transportation system. There are in this country three transcontinental railway lines which for purposes of operation are consolidated into two separate systems. Extension of the railways across the prairies to the Pacific coast was primarily for the purpose of opening up the country and bringing its products to the seaboard for export to the world's markets. During the crop moving period this normally provides a traffic load which the railways are unable to handle. Hence it is desirable and necessary to use the water route from the head of the lakes to the seaboard.

The Great Lakes-St. Lawrence traffic is a valuable and profitable supplement to Canadian railway facilities, since it offers no competition in the five relatively slack months of winter and shares the embarrassing peak of traffic which takes place in the summer and fall when the grain crop is moving. Thus the water route helps the railways to achieve a better load-factor of freight movement than would otherwise be possible.

Canals make possible the economic use of this waterway. Unlike the Suez Canal, which cuts off thousands of miles from Europe to the Far East, or the Panama Canal, which eliminates the lengthy and dangerous route around Cape Horn, Canadian canals are "lateral" units to overcome obstacles of a free waterway which has always existed as one of the Dominion's main avenues of communication.

Benefits Spread Over Many Classes

Examination of the type of traffic moving through the canals over a number of years shows that the principal commodities handled are as follows (in order of importance): wheat, soft coal, merchandise, petroleum products, pulpwood, barley and flour. From this analysis it will be seen that the farmer benefits most by the canal system. Then come the manufacturers, followed by miners.

Irrespective of the merits or demerits of a toll, it should be kept in mind that the St. Lawrence-Great Lakes canal system is an integral part of the country's communication facilities. Canada cannot get along without it and still maintain her position as an exporting nation.

To date the Dominion has spent between $225,000,000 and $250,000,000 on its canals. A large percentage of this expenditure has been on the new Welland Canal which recently came into operation.

Substantial Help to Other Services

What has the Government done for other forms of transportation?

To the end of 1931 the Dominion and provinces had given the following aid to the railways: land grants to the extent of 73,673,034 acres, worth nearly $375,000,000 at a nominal value of $5 an acre; financial assistance from 1851 to 1931 totalling $222,942,253; and the guarantee of $847,616,637 of bonds. Since the compilation of these figures assistance granted by the Dominion and provincial governments would add nearly $250,000,000 to the above totals.

This is impressive, but so also is the governmental expenditure on highways, the users of which are among those seeking toll charges on canals. Figures for the early years are not available. Some idea of the outlay on highways, however, may be gained from the fact that between 1927 and 1931, $361,550,972 was spent on construction and maintenance.

In this five-year period the Governments spent upward of $100,000,000 more on the highways than they have on canals since Confederation!

Highways, of course, are paid for by those who use them, through gasoline taxes and automobile licenses.

But the foregoing illustrates the point that when criticism is directed against governmental expenditures, the outlay on canals should be considered relatively and not as an isolated case.

Upkeep Cost Relatively Small

So much for assistance and capital outlay on the three principal arteries of communication in this country.

What of the upkeep?

The total annual carrying charges on Canadian canals are about one third of the average annual deficit of the nationally owned railway system. The Canadian National "financial requirements" for 1931 and 1932 alone were $177,000,000 or about 65 per cent of the whole capital cost to date and nearly 13 times the annual carrying charges on canal maintenance.

The Canadian Government has never been called upon to pay operating losses of Canadian inland carriers. This is a point to keep in mind, for the Federal Government has repeatedly paid such operating losses for the Canadian National Railways, also for the Canadian Government Merchant Marine and later the Canadian National Steamships.

In capital assistance, subsidies and payment of operating losses, the users of the Great Lakes-St. Lawrence canal system have run a very poor third to the railways, Government-owned vessels and users of the highways.

Should Pay Way If Tolls Are Economic

This should not detract from the fact, of course, that if canals can be made self-sustaining without unduly discriminating against those who benefit directly or indirectly by their use, then a toll should be charged.

For the past 30 years no canal tolls have been levied in Canada. From 1873-1902 tolls were levied. At this time when the question of tolls is under discussion, it is well to examine conditions prior to the removal of toll charges in 1903.

The period between 1873 and 1902 was not such an era of national prosperity and expansion as to suggest that Canada would benefit now by canal tolls. As a matter of fact, it was one of the most stagnant and discouraging periods of Canadian economic history, with the single exception of the completion of the Canadian Pacific Railway.

This was a period marked by repeated disputes and retaliation between the United States and Canada on questions relating to canal tolls. Tolls were also levied in the United States, but have not been levied since then, nor is there any serious prospect of their restoration on United States canals.

The extraordinary inter-relation of the United States and Canadian waterways makes a return to such a destructive and quarrelsome condition as existed prior to 1903, if tolls be re-levied, almost unavoidable.

Authority Says Compensation Sufficient

As further background to the question of whether or not Canada should return to the conditions prevailing prior to 1903, the opinion of Professor W. J. Jackman, of the University of Toronto, is of interest. Professor Jackman is a leading economic authority on Canadian transportation and pioneer in the organization of the Canadian Industrial Traffic League. In discussing inland water transportation, he has the following to say in his "Economies of Transportation":

> "NO CANAL TOLLS IN CANADA—Although there is a heavy capital cost and maintenance expense connected with these (Great Lakes - St. Lawrence) and the other canals, since 1903 no tolls have been charged for their use. They are open to the ships of any other country on the same terms as to Canadian ships. It is considered that the general advantage derived from them, in their indirect effects upon agriculture, trade and industry, is sufficient compensation for the annual charge against the general revenue for their upkeep. All works connected with the improvement of rivers, canals and other aids to navigation, including the dredging and deepening of harbors, are regarded as works for the general advantage of the country and the expenses connected with them are chargeable against the consolidated revenue."

Jackman's statement "That the general advantage derived from them . . . . is sufficient compensation for the annual charge against the general revenue for their upkeep," is the reason back of the changed policy of the Canadian and American Governments in doing away with canal tolls.

This is the first of a series of three articles dealing with tolls on traffic in order to make the canals self-sustaining. In previous issues The Financial Post has published a number of articles which tend to support the argument. In this and the two succeeding articles the views of the shippers and others interested in canal traffic are presented.

B. C. LUMBERMEN UPSET BY NEWS U. K. - SOVIET DEAL

Stevens Presence in London Reassuring, However

From Our Own Correspondent

VANCOUVER.—British Columbia lumbermen are somewhat disturbed by reports of additional British orders for Soviet lumber. Cables telling of the placement of orders by British buyers for between 395,000 and 456,000 standards received with considerable disappointment. A standard represents about 2,000 board feet.

Lumbermen here point out that their industry has experienced a revival this season for the first time in years and that it was chiefly due to the increase in British orders following upon a decline in Soviet business. Now that Soviet is again entering the British market on a large scale the trade worked up on this coast with the Motherland is threatened with serious reverses.

Exports Continue High

Presence in Britain at this time of Hon. H. H. Stevens, minister of trade and commerce, is regarded here as an indication that the Federal Government intends to drive home its argument for restriction of Soviet lumber in the Old Country market.

Meanwhile waterborne exports of British Columbia are maintaining the high mark set during the earlier months. More than 69,000,000 feet of lumber left British Columbia ports in October, 8,000,000 feet more than in September and about the same as in August, when the year's high mark was reached. October's total was nearly double the figure for the corresponding month last year. Exports during the first ten months of this year represent an increase over 1932 of nearly 40 per cent.

A bright feature of the business in recent weeks has been the advance in shipments to China and Australia. United Kingdom still heads the list, however, Washington and Oregon, whose exports a few years ago dwarfed those of B. C., continue to lag, their total offshore trade last month being only about 40,000,000 feet, as compared with B. C.'s 69,000,000 feet.

War on Waste

Duplication of governmental services and activities throughout Canada results in widespread waste of public funds. As an example, the cost of legislation alone in the three Prairie Provinces was as follows in the 1931-32 fiscal year the last for which comparable data are available:

Legislation Costs, 1931-32

Alberta	$228,518
Manitoba	203,929
Saskatchewan	166,570
	$599,017

The population of these three provinces is less than that of either Ontario or Quebec. Yet Ontario, one of the heaviest spenders of all nine Canadian Provinces, covered its legislation costs in the year ended Oct. 31, 1932, with $350,675. And while this compares favorably with the $599,000 spent in the three Prairie Provinces, it is still a substantial figure.

The Prairie Provinces are so similar in their general economic structure, and modern transportation and communication facilities have so reduced distances, that a single Government could legislate for the entire area at a substantially reduced cost.

Twin Roosevelt Aim New Deal, Recovery

Programme Not Easy to Understand Unless One Keeps in Mind Double Objective

By J. L. BURTON LEWIS

Although the future of business in Canada naturally will be affected by the progress of the diverse economic experiments in the United States, many Canadian estimates of those experiments, and the conclusions drawn from them, have reflected extremely limited understanding of either what is being attempted or what has been accomplished in the neighboring country.

There has been a tendency to emphasize the evident flaws in the separate phases of the Roosevelt programme, and few serious attempts have been made to correlate the individual steps into a complete picture which might be judged as an entity. Newspaper headlines have snapped so frequently with phrases about "monetary policy," "industrial policy," "agricultural policy," "relief policy," "credit policy" and "public works policy" that little space has been left for discussion of the "fundamental policy of government," if such there be, which should be the starting point of study if any of the programme is to be understood.

Not Doctrinaire

Most of those in Canada who have written with enthusiasm about the Roosevelt administration have done so because they admire "action," not because they profess to admire, or even understand, Mr. Roosevelt's particular acts. Such a basis for judgment is as unsound as it is immature.

Many critics, on the other hand, have been content to subject U. S. policies to doctrinaire analyses, which inevitably lead to the conclusion that most of the things being done by Mr. Roosevelt are thoroughly unsound. Although such a method of attack permits believers in "established economic principles" to give lusty expression to their convictions (which probably are quite sound), it is an inadequate form of criticism. When policies are the antithesis of doctrinairism it is fully as important to examine the policies, to estimate what they mean in themselves, and to study where they point, as it is to note the ways in which they violate conventional notions, no matter how widely these are accepted.

Reason For Re-examination

Plenty of voices have been raised in Canada to say that "what this country needs is a Roosevelt," or to insist that the United States is on the road to violent revolution and a greater collapse than that of the winter of 1932-33. Probably exponents of both views are about equally absurd.

Because it seems desirable to supply an antidote for such loose declarations; because forces released in the United States, whether they lead to prosperity or ruin, or some middle ground, do react in Canada and should, therefore, be understood; and because curiosity continues, in some circles, as to whether any parts of the Roosevelt programme might be adopted to advantage here, there appears to be justification for re-examining:

(1) The underlying purposes of the "New Deal" and the integrated Roosevelt programme, to the extent that one exists.

(2) The machinery devised or likely to be created in an attempt to achieve these purposes.

(3) The strength and weakness that the mechanisms set up have shown in operation.

When that has been done it should be possible to draw some logical Canadian conclusions.

Two Chief Objectives

At the outset it should be admitted that the writer, although he was in Washington when the "New Deal" was a-borning, watched many phases of it develop, and was caught in the spell of Mr. Roosevelt's strikingly charming personality, remains, none-the-less, sceptical of most phases of the mechanistic economic ideology the President has adopted. This should not, however, prevent entire fairness in reviewing what has been attempted and accomplished.

It is necessary to split into sections the record of the Roosevelt administration in order to understand it. The President has had two chief goals: recovery, a short-range objective, and reconstruction of the financial, commercial, industrial and social structures of the nation, a long-range purpose.

Three separate principles, at different times, have seemed to guide his efforts to gain those ends. There was a time when he believed it was possible to "prime the economic pump," through an emotional resurgence, a large public works programme, expansion of credit and partial control of industry. For a period, though only briefly, he moved in the direction of international collaboration. Lately he has turned to the "teeter-totter" theory in economics—the notion that forcing down the value of money will, through a law of physical reaction, force up prices in almost equal degree. The first of these principles has been merged, to some extent, with the last, and both have been supported by many subsidiary programmes.

Three Types of Policy

Policies adopted by the United States during Mr. Roosevelt's term have been divided into three main classes: those designed to meet acute emergencies; those forced upon him by Congressional or popular pressure, and those which the president considered of permanent value.

In face of the confusion provoked by this "moving in many directions," a just weighing of the record suggests the conclusion that the President has acted more frequently in the belief that he was forwarding a central and worthy purpose, than he has in the interests of expediency. The confusion, in fact, has sprung chiefly from his willingness to discard tactics and concepts (excepting a basic one), to revise policies and opinions, and to contradict himself and his associates, whenever he became convinced a new tack would bring the United States closer to the permanent goal he has set for it.

Although it has been attempted seldom, that objective can be stated in fairly simple terms. It is, through governmental powers, to bring balance to the economic sphere—not recovery, not return to some former state, not business revival in themselves.

Where Capitalism Fits

It is planned to do this in industry by substituting labor for capital as the first fixed charge; in finance by preventing excessive accumulations of wealth which cannot be put to work in balanced production; in agriculture by increasing buying power to a point where the farmer will be able to contribute to the support of industry. In addition there is the programme of monetary manipulation, designed to speed painfully some of the adjustments and to ease others.

Involved in every phase of the programme is the conviction that Capitalism distributes the national income effectively only in periods of business expansion. Coupled with this is the view that much of the past expansion in the United States has been unsound, and that there is little future prospect of sound expansion. Upon such premises have been based the conviction that it is the job of the Government to gain control, through manipulation, over the way in which the national income is distributed. This naturally called for a large measure of control over production.

Whether the ends that have been stated are worthy is, of course, debatable to an extent. Even more so is the question whether, if such ends are attainable at all, the cost at which they might be achieved would not more than counterbalance the good they could bring.

And certainly there is an important body of opinion to argue convincingly that greater benefits can be brought through other methods, and that there is much of worth left in the economic system which Mr. Roosevelt seems intent upon discarding.

Heading For The Goal

But it is in terms of his own objectives that Mr. Roosevelt's experiments should, for the time, be judged. The momentary ups and downs—friction over the N.R.A., discontent in the farm belt, the natural recalcitrancy of sections of industry and finance, outbreaks of labor trouble—can be over-emphasized easily. The test of the policies, and in large measure the extent of Canada's interest in them, hinges upon whether the President's "bold, persistent experimentation" bring the general result of carrying the United States toward the goals that have been cited.

In looking at individual parts of a sweeping programme it is necessary to recognize that moves which may appear irrational in themselves can have a certain effectiveness in combination with other developments. There are also times when sound policies seem to fail because of events outside their range, or they may inadvertently release other forces that are destructive. Only in a very broad examination of a programme is it possible to make allowance for such factors.

It is in recognition of this circumstance that the efforts of Mr. Roosevelt—shaped and re-shaped by events, and yet all conforming to quite an extent to a basic ideal—have been described here in the most general possible terms. With this discussion as a background, two later articles will consider:

(1) Progress of the agencies set up to carry out the Roosevelt programme and demonstrated fallacies in the theories under which they operate, and

(2) The international implications of that programme, particularly to the extent it is likely to affect Canada.

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Utilities and Transportation

INTER. HYDRO INCOME HIGHER CURRENT PERIOD

Third Figures Indicate More Encouraging Trend of Operations

From Our Own Correspondent

MONTREAL.—Consolidated revenue of International Hydro Electric System for the third quarter of this year was $15,512,978 compared with $15,013,787 for the same period last year; net revenue, before charges, was $8,618,004 against $8,425,130.

After deducting all charges, including depreciation, earnings in the third quarter of this year available for dividends in the preferred and Class A stocks of the System were $436,870 compared with $264,738 in the same quarter of 1932. After deducting preferred dividends, the balance in the third quarter available for dividends on the Class A stock was $314,032 against $139,786 a year ago.

Balance added to surplus for the third quarter this year shows an increase not only over the figures for the corresponding period last year but also, contrary to the usual seasonal trend, over the second quarter this year.

Power Sales Advance

This improvement was due primarily to increased electric sales to industrial customers by New England Power subsidiaries during July and August. In September their revenues from electric sales were above September last year but the increase was not sufficient to offset new Federal taxes and the increase in expenses resulting from compliance with the President's re-employment agreement under the NRA.

Comparative figures for the third quarter of 1933 and 1932 follow:

	1933	1932
	$	$
Total revenue	15,512,978	15,013,787
Net revenue	8,618,004	8,425,130
Int.—Subs.	3,389,578	3,403,690
Int.—I.H.E.S.	472,265	483,956
Amort. of disc., subs. divds. and amounts applic. to min. stks. of subs. etc.	3,172,715	3,072,186
Depreciation	1,196,576	1,200,560
Balance	436,870	264,738
Divds., System stocks:		
Preferred stock	122,837	124,952
Class A	......	......
Balance after divds.	314,033	139,786

Cumulative Total Off

For the twelve months ended September 30, 1933, consolidated revenue was $61,850,343 compared with $64,701,273 in the preceding twelve month's period. Net revenue before charges was $35,285,233 against $36,370,779. The 1933 figure is after loss on exchange of $634,816, while the 1932 figure includes a profit on exchange of $317,754.

Consolidated earnings in the year ended September 30, 1933, available for dividends on the Class A shares of the system were $1,821,478, or $2.12 a share, compared with $2,953,111, or $3.44 a share in the preceeding twelve months.

Comparative statements for the twelve months ended September 30, 1933 and 1932 follow:

	1933	1932
	$	$
Total revenue	61,850,343	64,701,273
Net revenue	35,285,233	36,370,779
Int.—Subs.	13,681,306	13,424,368
Int.—I.H.E.S.	1,903,301	1,886,110
Amort. of disc., subs. divds. and amounts applic. to min. stks. of subs., etc.	12,296,105	12,869,052
Depreciation	4,997,627	4,738,331
Balance	2,306,894	3,452,918
Divds., System stocks:		
Preferred stock	485,416	499,807
Class A	*	*858,197
Balance after divds.	1,821,478	2,094,914

*Unpaid cumulative dividends on class A stock from April 1, 1932, to September 30, 1933, amount to $2,574,591.

In the above statement all figures have been stated at parity of exchange without adjustments of differences between Canadian and United States funds. It is the practice of the company to take into current operations any profit or loss on exchange at the time funds are actually transferred.

Public Utility Earnings

Winnipeg Electric Co.

October:	1933	1932
	$	$
Gross income	423,775	459,817
Oper. expenses	265,160	282,445
Deprec.	45,506	45,573
Net earnings	113,108	131,799
Taxes	26,829	28,912
Int. funded debt	74,083	74,083
Bank int., etc.	5,868	11,420
Net income	6,328	17,384
10 Months:		
Gross income	4,237,002	4,626,274
Oper. expenses	2,741,896	2,970,766
Deprec.	455,067	455,730
Net earnings	1,040,039	1,199,778
Taxes	278,140	289,192
Int. funded debt	740,833	740,833
Bank int., etc.	99,673	104,281
Net income	*78,606	65,472

*Deficit.

Gatineau Power

Quarter End. Sept. 30:	1933	1932
	$	$
Oper. revenue	2,336,283	2,274,917
Gross revenue	2,306,848	2,224,440
Net revenue	2,021,132	1,939,540
Surplus	529,490	456,648
12 Mos. End. Sept. 30:		
Oper. revenue	9,393,841	9,203,914
Gross revenue	9,411,317	9,629,591
Net revenue	8,229,809	8,363,907
Surplus	2,250,176	2,415,821

CONSISTENT GAINS

The average annual increase in gross earnings of Canada Northern Power Corporation for each of the five years, 1928 to 1932 inclusive, amounted to $73,648.

For the first ten months of the current year the increase is $168,991.

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Central Electric Station Production in October Greatest Ever Recorded

All Areas Participate in Remarkable Feat

QUEBEC SETS PACE

General Upswing in Demand Helps Whole Industry — Exports of Energy Grow

From Our Own Correspondent

MONTREAL.—All records of the central electric station industry in Canada were broken in October last when production amounted to 1,617,786,000 kw.h. This was 128,000,000 kw.h. more than in the previous month; 227,000,000 more than in October, 1932; and 15,000,000 kw.h. more than the previous high record set up in November 1929.

Since the middle of the year output figures have kept moving forward and while Quebec has been able to establish a new all-time record, other areas have lagged somewhat so that until October recent monthly returns were somewhat under previous record figures.

Advance is General

No doubt one of the principal contributary reasons for this remarkable showing, over and above the usual seasonal gain at this time of the year, has been a substantial improvement in the newsprint industry, ordinarily the largest power consuming agency in the Dominion.

How last October's output compares with the corresponding month in other years is shown in the following table:

October Returns

Year	Kw.h.
1925	911,000,000
1926	1,014,000,000
1927	1,316,000,000
1928	1,460,000,000
1929	1,592,000,000
1930	1,575,000,000
1931	1,428,000,000
1932	1,390,000,000
1933	1,617,786,000

Quebec's Record Outstanding

Quebec has taken the most prominent part in the improved showing made by the central electric industry this year. Industrial and domestic demand for energy in this province has been maintained at exceptionally high levels despite the decline in general business conditions. This has been due in part to the development of new outlets, especially the electric boiler, which has been instrumental in adding over 200,000,000 kw.h. to the monthly load.

Energy generated by water power (covering practically the entire output) amounted to 878,097,000 kw.h. in October last. This is the largest monthly production ever reported by the Quebec central electric station industry. Some idea of the progress that has been in power developments in this area over the past 9 years:

October Returns

Year	Kw.h.
1925	349,108,000
1926	452,722,000
1927	616,227,000
1928	724,509,000
1929	813,794,000
1930	781,996,000
1931	736,381,000
1932	763,577,000
1933	878,097,000

Ontario Stations Pick-up

Improvement in Ontario stations' output in the past few months has been especially marked. Production in October totalled 434,036,000 kw.h. Though Ontario is still some distance short of its record month, the advance of late holds out the hope that the seasonal increases to be expected over the next four or five months will be larger than usual.

Little change was noted in the Prairie Provinces' output of hydro electric energy until October, when production jumped to 111,937,000 kw.h.

Coast Increases Output

Much the same condition is reported from British Columbia, whose stations turned out 109,366,000 kw.h. in October. The output in October this year is one of the largest monthly returns reported by the Coast province in some time and may be taken as indicative of an improvement in conditions in that area.

Exports on Larger Scale

After having been in the doldrums for many months past, export of power is on an increasing scale. October exports totalled 127,242,000 kw.h. Between March 1931 and June 1933, exports never exceeded 100,000,000 kw.h. monthly. Prior to that time a fair proportion of the total central electric station output found its way across the border.

Power Consumption

Ontario led all other areas in increased power consumption during October compared with the same month a year ago, according to returns compiled by the Dominion Bureau of Statistics. For all Canada October electric energy consumption recorded an increase of 11½ per cent over that reported in 1932. Actual consumption was 1,490,544,000 kw.h. as against 1,339,406,000 kw.h. last year.

For many months Ontario registered a series of declines in electric energy consumption. It was slow in recovering, but since the middle of the year demand has picked up appreciably and in October consumption totalled 538,037,000 kw.h., or 16½ per cent greater than for October 1932. The consistent gains scored by the province is seen in the consumption figures for each of the past six months, when the increases were of more than seasonal size.

All Areas Advance

All areas reported a larger consumption of energy in October last than in the corresponding month a year ago. Maritime provinces reported a gain of 11 per cent; Quebec 8 per cent; the Prairie Provinces 5.8 per cent, while British Columbia's consumption increased 12¼ per cent.

Provincial Paper Use Electric Boilers

From Our Own Correspondent

MONTREAL. — Provincial Paper Mills have installed two electric boilers of 12,000 kilowatts each, at their Port Arthur plant. The new equipment, now in use, replaces coal-burning equipment which had been consuming some 30,000 tons of imported soft coal per annum. The electrical energy consumed by the two boilers amounts to about 32,000 h.p.

This is the second Ontario paper plant to install electric boilers. The Ontario Paper Co. recently converted its Thorold plant steam equipment from coal to electricity. In Quebec the progress has been more marked, practically all of the large newsprint mills have been converted to the electric boilers some time ago. During October, for instance, nearly 160,000,000 kw.h. were used in Quebec electric boilers.

I. P. AND P. NET GAINS SHARPLY THIRD QUARTER

Shipments Larger Than Any Previous Quarter in History

From Our Own Correspondent

MONTREAL.—Marked improvement in operations and earning power of International Paper and Power Co., controlling International Hydro Electric System and International Paper Co., and numerous other subsidiaries, since the middle of the year is reflected in the income statement for the three months ended September 30 last.

For the third quarter this year there was a net profit of $431,259. This is the first net profit for any quarter since September 30, 1931.

The volume of shipments in the past three months was larger than during any previously quarterly period in the history of International Paper Co., and prices for most grades except newsprint, were somewhat above the low levels of last winter. Increased volume was due partly to replenishment of customers' inventories and probably will not be fully maintained during the fourth quarter.

Working Capital Better

Additional working capital requirements arising from the increased volume of power and paper business have been met without new borrowing. Further at the end of September last notes payable amounted to $18,541,081 of which $16,239,000 represented debt of International Paper and subsidiaries and $2,302,081 debt of New England Power Assoc. and subsidiaries.

Comparative income account for the third quarters of 1933 and 1932 follows:

	1933	1932
	$	$
Gross sales	37,329,985	30,249,610
Net revenue, including other income	11,844,557	8,249,605
Less: Interest, income taxes, & subsidiary divds. paid or accr.	7,854,165	7,934,254
Depreciation, deplet., Amort of disc.	2,634,445	2,633,101
Accumulated unpaid sub. divs. and minority interests	924,688	683,817
Net profit	431,259	*3,001,567

*Loss.

Helps Reduce Deficit

The improvement recorded in the third quarter did much toward reducing the deficit reported for the first half. Also in comparison with the nine months ended September 30, 1932, it is noted that the net loss is nearly 40 per cent lower.

Sales for the first nine months this year totalled $99,014,558. This was a gain of nearly $2,000,000 over the corresponding period of 1932. Net revenue showed a proportionate increase. Net loss after all senior charges amounted to $3,343,231 compared with $5,257,371 a year ago.

Comparative returns for the first nine months of 1933 and 1932 follow:

	1933	1932
	$	$
Gross sales	99,014,558	97,376,379
Net revenue, including other income	31,112,439	29,164,555
Less: Interest, income taxes, & subsidiary divds. paid or accr.	23,718,540	24,464,065
Depreciation, deplet., amort. of disc.	7,959,972	7,979,190
Accumulated unpaid sub. divs. and minority interests	2,777,158	1,978,671
Net loss	3,343,231	5,257,371

(In the above statement all figures have been stated at parity of exchange without adjustment of differences between foreign and United States funds. It is the practice of the company to take into current operations any profit or loss on exchange at the time funds are actually transferred.)

WPG. ELECTRIC'S DEFICIT $78,606 PAST 10 MONTHS

Drop in Gross Revenues Offsets Substantial Economies

From Our Own Correspondent

MONTREAL — Winnipeg Electric Co.'s income position continues unsatisfactory, returns for the 10 months ended October last indicating a deficit after interest charges of $78,606 compared with a surplus of $65,472 for the corresponding period a year ago.

Income during October last totalled $423,775. This was $36,041 less than for October 1932. Operating expenses were reduced by $17,284, while depreciation charges were about the same, leaving a net operating income of $113,108. This was $18,691 under that reported for October a year ago.

The company was able to effect some savings in taxes, bank interest and other fixed charges. Interest on funded debt remained the same, so that net income from operations last October amounted to $6,328, or $11,055 less than shown in the report for the same month a year ago.

Surplus Into Deficit

The changed financial position of the company is more clearly shown in the 10 months' figures. During the January-October period of 1933 gross earnings aggregated $4,237,002, a drop of $389,272 from the corresponding period of 1932. Operating expenses were reduced by $228,870 and depreciation charges by $662. This was insufficient to offset the loss in gross income, net earnings totalling $1,040,039 compared with $1,199,778 in 1932.

Taxes show a decrease of $11,051 in the first ten months of this year. Interest on funded debt is unchanged, but bank interest and other fixed charges are lower by $4,607. After making provision for all of these charges, the income account this year shows a deficit of $78,606, as against a balance of $65,472 last year, an adverse difference of $144,079.

NATIONAL SYSTEM OPERATING INCOME UNDER LAST YEAR

Net Revenue Down $1,844,000 During First Ten Months

From Our Own Correspondent

MONTREAL.—Net operating income of the Canadian National Railways System was somewhat less in October last than in the same month a year ago. At the same time cumulative figures for the 10 months ended October show a decline of $1,844,000 from the figures reported for 1932.

During October last the system had a gross operating income of $14,602,314. This was $866,667 under that reported for the same month last year. This decline in revenue was largely offset by a further reduction in operating expenses—from $12,836,255 to $12,119,728. For the month net operating income totalled $2,542,586 compared with $2,692,726 in the same month last year.

Drop in Gross Income

For the first ten months of the current calendar year the Canadian National had a gross operating revenue of $122,878,594. This compared with $136,150,440 for the same period last year, a drop of $13,271,846.

Efforts by the management to bring about a further reduction in expenses have been productive, but the savings have not been sufficient to cover the reduction in gross income. Expenses in the first ten months this year aggregated $119,428,626, or $11,427,249 from the same period in 1932. This left the net operating income this year at $3,449,958 as against $5,294,555 in 1932.

National Light and Power Blocked from New Outlet

From Our Own Correspondent

REGINA.—Because the Saskatchewan Power Commission would not build a line itself nor allow the National Light and Power Company of Moose Jaw to erect one, the Natural Sodium Products Limited of Dunkirk, in south Saskatchewan has been forced to purchase a 500 horsepower diesel engine and generator.

Negotiations were carried on for several months between the National Light Company and the Saskatchewan commission but nothing came of them. It was not for trying on part of the National Light Company. Letter after letter was written asking for some action by the power commission but seldom was there an answer.

Revenue that could have been derived from this 30-mile line from Moose Jaw to the plant has been estimated at about $1,000 a month either for the power commission or the National Light Company, or for that matter any private company that would enter the field.

General Reorganization Plan Sought for Wpg. Electric

From Our Own Correspondent

MONTREAL.—At a joint meeting of the protective committees for the 6 per cent. and 5 per cent. refunding mortgage bonds of Winnipeg Electric and for the 5½ per cent first mortgage bonds of Manitoba Power Co., it was decided that each committee would continue to function for the time being with requesting deposit of securities and endeavor to negotiate a general plan of reorganization for submission to the security holders of Winnipeg Electric and its subsidiaries. Each committee nominated representatives for the purpose of undertaking such negotiations at the earliest moment with representatives of the other groups of security holders and of Winnipeg Electric Co.

Railway Earnings

Canadian National Railways

October:	1933	1932	Decrease
	$	$	$
Gross rev.	14,662,314	15,528,981	866,667
Oper. exp.	12,119,728	12,836,255	716,527
Net rev.	2,542,586	2,692,726	150,140
Aggregate to Oct. 31:			
Gross rev.	122,878,594	136,150,440	13,271,846
Oper. exp.	119,428,636	130,855,885	11,427,249
Net rev.	3,449,958	5,294,555	1,844,597

Express Companies' Fight Affects Postal Revenues

From Our Own Correspondent

OTTAWA.—While cast in the rôle of an innocent bystander, the Federal Government has become vitally concerned in a rate war which has broken out between the express companies and which has carried tariffs down to lower levels than have prevailed for many years.

Officials of the Government are not aware of the reasons why the express companies have decided to slash rates, but the effect upon postal revenues has been very marked and to some extent the Government has been involved in the struggle. Express rates have been cut so low that the parcel post service of the Post Office Department has lost a good deal of business, with unfortunate effects upon postal revenues.

It is learned that the Government met the competition to some extent but in doing so incurred the criticism of both express companies and it would appear that Ottawa has not carried the price cuts to the point where the former basis of competition obtains.

Newsprint Manufacture Moves Ahead in October

Seasonal Gains Reported by Canadian and American Mills — Dominion Ahead of Last Year, But States Lag Behind

From Our Own Correspondent

MONTREAL.—Newsprint production in Canada and the United States reacted to seasonal influences in October, both production and shipments being appreciably higher than those reported for the same month last year, according to returns compiled by the News Print Service Bureau.

Canadian mills turned out 191,452 tons in October last. This was the second highest monthly total reported this year and is nearly 34,000 tons larger than the output for October last year.

Cumulative Total Up

At the end of September mills in this country had produced this year slightly more newsprint than in the first nine months of 1932. The healthy gain in October shoved up the cumulative production figure to 1,640,004 tons. This compares with 1,604,689 tons for the corresponding ten months' period of 1932.

Shipments of Canadian newsprint have kept pace with production this year. The mills reported having despatched 190,326 tons in October, bringing the total for the year up to 1,643,439 tons. For October last year shipments amounted to 157,568 tons and for the first ten months to 1,607,450 tons.

American mills did not do as well as the Canadian plants, but they were able to report an increase in production and shipments. Last month output totalled 82,052 tons, making a 10-month's total of 778,728 tons.

For October last year the United States mills produced 76,731 tons and for the January-October period about 845,407 tons.

Shipments of American newsprint last month aggregated 81,580 tons compared with 76,922 tons for the same month last year. The cumulative total for the first ten months of 1933 was 782,180 tons as against 845,250 tons for the same period in 1932.

October export of newsprint paper was 3,438,939 cwt. of the value of $6,285,008 compared with 2,978,691 cwt. at $6,754,504 in October, 1932, a larger quantity but a lower value, according to the Dominion Bureau of Statistics. As usual the heaviest buyer was the United States, with 2,857,408 cwt. The United Kingdom came next with 191,314 cwt. and Australia took 107,069 cwt.

The export of Canadian wood pulp and screenings in October totalled 1,122,475 cwt., valued at $2,214,662 compared with 994,145 cwt. at $1,791,329 in October, 1932. The pulpwood export was 92,283 cords at $640,972 as against 56,463 cords at $558,075.

CANADA NORTHERN WILL PAY BONUS ON COMMON STOCK

Northern Ontario Operator Sets Three Records in October

From Our Own Correspondent

MONTREAL.—Directors of Canada Northern Power Corp., controlled by Power Corp. of Canada, have declared a bonus dividend of 10 cents a share on the company's common shares. This brings the total distribution for the year up to 90 cents a share, as against 80 cents in 1932.

Record gross and net earnings; kilowatt hour output; and number of customers, are reported by Canada Northern Power for October.

Gross earnings of $325,544 for October were $29,715 higher than for October of 1932 and marked the largest monthly increase yet recorded by the company. Operating expenses were slightly higher at $95,989, leaving net earnings for the month at $229,555, an increase of $26,489 over the net for October last year.

Net Earnings Higher

For the ten months period ending October 31, gross earnings amounted to $3,025,871, as against $2,856,879 for the corresponding period of 1932. This represents an increase in gross of $168,992. Operating expenses for the ten months amounted to $912,225 as against a comparative figure of $894,993, while net earnings at $2,113,646 show an increase of $151,760 for the 10 months period.

New Output Record

Power output for October amounted to 42,194,110 kw.h., an increase of 3,840,660 kw.h., or 10 per cent, and established a new monthly record.

For the ten months period power output amounted to 391,418,830 kw.h. as against a comparative figure of 363,560,460 kw.h., an increase for the 10 months of 27,858,370 kw.h..

During October, 183 new customers were added to the company's system, bringing the total served as at October 31 last to 13,299, as against a total of 12,290 at the end of October last year.

The company's power load will be materially increased during the next few months by new contracts coming into force, and by additional power taken by present customers. Work has already commenced on a transmission line extension to carry hydro-electric power to the important group of mines lying east of Noranda in Bousquet and Cadillac Townships.

Conference Pacts Help

An increase of 15 per cent in Canada's exports to British Empire countries was registered in the first 10 months in which the Imperial Conference agreements were operative, a report issued by the Dominion Bureau of Statistics shows. These exports had a value of $188,106,037 for the 10 months, as against $163,725,597 for the same period a year ago.

Public Utility Earnings

Mexico Tramways, Group of Companies
Mexico Tramways & Subsidiaries
(Canadian Currency)

October:	1933	1932	Decrease
Gross earn.	214,107	248,198	34,091
Oper. & depr. exp.	286,314	326,015	39,701
Net earnings	*72,207	*77,817	*5,610
Aggre. gross from Jan. 1.	2,297,066	2,455,108	158,042
Aggre. net from Jan. 1.	*754,100	*746,367	7,723
Mexican Light & Power & Subsidiaries			
Gross earn.	701,149	770,489	63,340
Oper. & depr. exp.	424,386	481,385	56,999
Net earn.	282,763	289,104	6,341
Aggre. gross from Jan. 1.	7,365,073	7,778,775	413,702
Aggre. net from Jan. 1.	2,737,405	2,863,205	125,800

*Deficit.

Jamaica Public Service

October:	1933	1932
Gross earnings	$64,921	$63,072
Net earnings	24,848	25,468
Surplus after charges	$15,299	$16,178
12 Mos. end. Oct. 31:		
Gross earnings	$795,039	$793,110
Net earnings	326,243	319,288
Surplus after charges	$212,810	$207,709

International Hydro-Electric

Quarter end. Sept. 30:	1933	1932
	$	$
Gross revenue	15,512,978	15,013,787
Less: Oper. exps.	4,547,260	4,300,072
Taxes	1,548,281	1,521,120
Maintenance	799,433	767,465
Net revenue	8,618,004	8,425,130
Net profit for period	436,870	264,738
Less appropriations:		
Pref. dividends	122,837	124,952
Surplus for period	314,033	139,786
Add: Prev. surplus	9,102,839	7,455,608
Bal. car. forward	9,416,872	7,595,394

Canada Northern Power

October:	1933	1932	Increase
	$	$	$
Gross earn.	325,544	295,829	29,715
Oper. exps.	95,989	92,763	3,226
Net earn.	229,555	203,066	26,489
Ten mos. end. Oct. 31:			
Gross earn.	3,025,871	2,856,879	168,992
Oper. exps.	912,225	894,993	17,232
Net earn.	2,113,646	1,961,886	151,760

Substantial Income
Provincial Security

Province of British Columbia
6% Bonds due February 15th, 1947
Price: 99 and interest, to yield 6.11%

Resources of British Columbia are the security for the payment of principal and interest.

Orders may be telephoned or telegraphed at our expense.

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Limited

Telephone ELgin 4321
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International Paper Announce Price Policy

From Our Own Correspondent

MONTREAL.—International Paper Co. has sent notices to its newsprint customers under which there will be no change in the net cost of their paper up to April 1, 1934. It is further stated that any change in the net cost of paper after date will be made only after careful consideration of conditions prevailing in the paper and publishing industries. The present net cost is $40 a ton for New York and Chicago deliveries.

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TORONTO, ONT.

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Sturgeon Falls, Ont.
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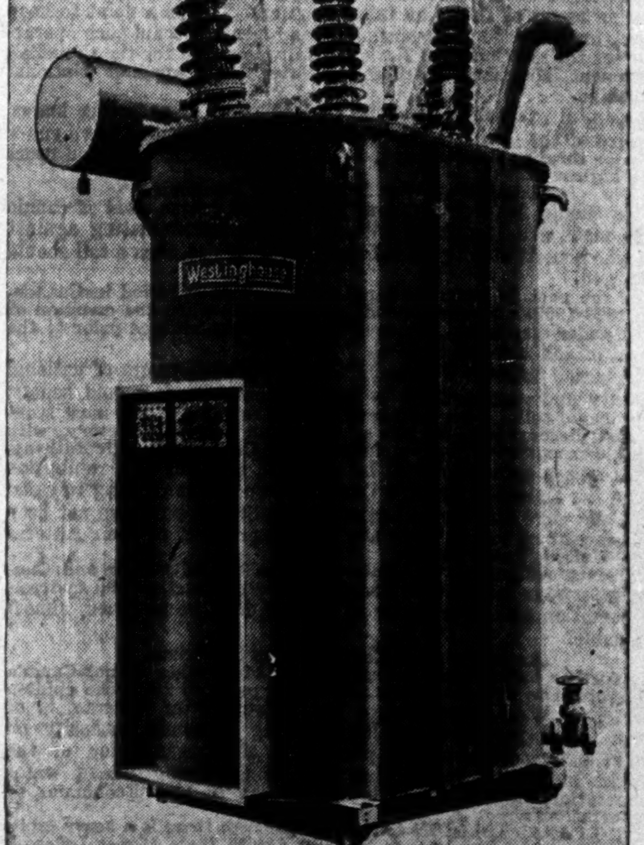
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.

Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp



One of two Westinghouse Transformers installed by the Hydro Electric Power Commission of Ontario at the Provincial Paper Co., Port Arthur. These Transformers are specially designed for use with electric steam generation equipment — a development which is showing the way to greater economy in many industries.

TURN
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WHERE steam is required and electric power cheap, it is economy to use this to produce steam. It is economy, too, that your Transformer Installation for steam generation be made by Westinghouse, who have specially studied the problems involved.

There are many applications of Electric Steam Generation in the pulp and paper, textile, rubber and food industries—to mention a few. Such cheaply produced steam may also be used for central heating.

Westinghouse engineers will be glad to tell you more about the economies offered by this method.

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Westinghouse Electric

News of Investment Markets

NEW GOVERNMENT WANTS TO REFUND ENTIRE B. C. DEBT

Finance Minister Would Like to Use London Money Market

From Our Own Correspondent

VANCOUVER.—British Columbia government proposes a large-scale refunding programme to improve its financial position, according to an announcement made by the new minister of finance, John Hart.

Every effort will be made to cooperate with the banks and the Dominion Government to see if it is possible to get into the London market to refund all or part of the province's obligations, according to Mr. Hart.

The refunding scheme will allow the present bondholders to exchange their bonds for bonds paying a lower rate of interest, and if they do not wish to accept that, they will be paid 100 cents on the dollar for their holdings and they can place their investment elsewhere, said Mr. Hart. It is the policy of the government that there shall be no repudiation under any circumstances and that there shall be no default on payment of interest until every possible remedy has been exhausted to prevent it.

Mr. Hart expressed himself as astonished by the condition of British Columbia's finances when he took office. Briefly, this is what he says he found:

Sinking funds short by over three millions, a provincial debt totalling $166,998,000, or $7,000,000 more than the public realized; a million-dollar current overdraft, cheques to the amount of $314,000 held up in the finance department because of lack of funds, among them $115,000 due to Vancouver for relief; superannuation and teachers' pensions funds exhausted and spent for other purposes; nearly $1,500,000 borrowed for unemployment relief and spent elsewhere; $17,000,000 needed to cover deficits and outstanding treasury bills; $1,000,000 required for current expenses before the end of November.

To attempt to carry on with debt charges of nearly $12,000,000, is unthinkable, according to the new minister. The refunding scheme, the largest ever attempted by any Canadian province, is expected to bring about important savings, if effected.

RAILWAY EXCHANGE RENTALS TOTAL 62%

Company Issues Report to Bondholders on Progress

From Our Own Correspondent

MONTREAL.—Little change in the rental situation of the Railway Exchange building has taken place since the end of June, according to a letter sent out this week to the bondholders by the management. It has been possible, the statement says, to lease a small additional amount of space, which increases the monthly revenue by about $300. The building is now 62 per cent occupied. The report goes on to say:

"Collections show some improvement. Rentals past due have been followed energetically and, as a result, the amount outstanding has been reduced from $9,784 to $6,945 as at October 31.

"Available earnings have been applied to the reduction of tax arrears and other current liabilities. Overdue taxes were reduced by approximately $22,000 during the six months period, leaving only $7,000 and accrued interest outstanding. It is intended to pay off this balance, together with current year's taxes of $12,324, as rapidly as possible. The assessment of the property has been reduced by 10 per cent, representing a small saving to the company in respect of future taxes.

"As is to be expected, in view of the comparatively large amount of unoccupied space, rentals continue to fall far below bond interest requirements. For the six months period, however, after normal operating expenses, current taxes and interest on the first mortgage on the property adjoining which is owned by the company, there has been a balance of $3,206 before bond interest and depreciation. First mortgage bond interest for the period would amount to $13,780.

"General conditions still make it most difficult to obtain tenants for the remaining space. The management, however, is sparing no effort in this direction as improvement in revenue must continue to depend largely upon the increase in occupancy."

Canada Permanent Drops Dividend Rate to 8 p.c.

Canada Permanent Mortgage Corp. directors have declared a dividend of 2 per cent payable January 2 to shareholders of record December 15. This represents a reduction in the annual dividend rate from 10 per cent to 8 per cent. The dividend rate was reduced from 12 per cent to 10 per cent with the payment made on April 1, 1933.

The company has paid dividends regularly since 1860. The new rate of 8 per cent is the lowest paid since 1909 to 1911 when that rate was paid. In 1912 the company paid 9 per cent, from 1913 to 1920, 10 per cent and from 1921 to 1932, 12 per cent.

R. C. Diocese of Toronto Make Bond Offering

From Our Own Correspondent

MONTREAL.—L. G. Beaubien and Co. are making a public offering of $175,000, 5 per cent 10-year first (closed) mortgage bonds of the Roman Catholic Episcopal Corporation for the Diocese of Toronto in Canada at a price of 100 and accrued interest. The bonds are payable as to interest and principal in Canadian funds only and can be called, in whole or part, on three months notice.

The bonds are secured by a specific mortgage on 13 acres of land and the buildings thereon in the heart of Toronto. In addition they bear the covenant of the Archiepiscopal Corp., whose assets amount to $11,500,000. The total debt of the corporation, including the present issue, does not exceed $2,250,000.

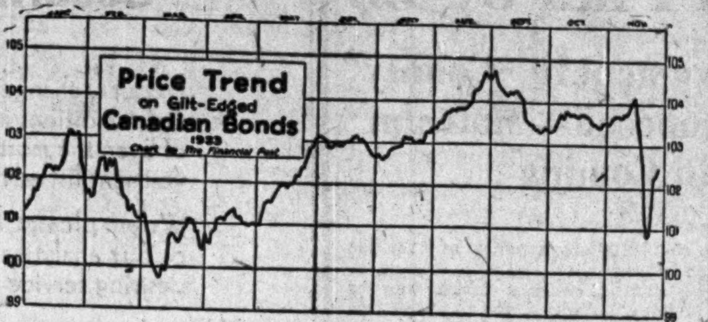
A sinking fund is being provided, which will retire more than 30 per cent of the issue by maturity.

Railway Earnings

Canadian Pacific Railway

October	1933	1932
	$	$
Gross Earnings ...	11,984,497	12,279,731
Working Expenses .	7,926,050	8,356,158
Net Earnings ...	4,058,447	3,923,573
From January 1—		
Gross Earnings ...	98,967,027	103,504,681
Net Earnings	14,029,898	14,454,943

What Exchange Rates Did to Bonds



When the Canadian dollar rose well above par in the United States, about the middle of November, it brought the heaviest volume of American offerings of Canadian bonds of the year. The decline of the bond market was even worse than that of last spring when the United States banking panic caused some selling here. The chart, to November 27, shows this, and also illustrates the sharp recovery of prices for gilt-edged Canadian bonds toward the end of the month when the Canadian dollar reacted somewhat in New York.

Utilities' Gilt-edged Issues Firm After Sharp Slump

Second Flight Liens Fail to Show Strong Recuperative Powers—Premium on Canadian Dollar Exerts Deflationary Influence on Bonds

Firmness in public utility liens and some recovery in prices for high-grade government bonds were almost the only bright spots in the Canadian bond market in the week ended Nov. 28. Second flight government and municipal issues failed to gain, or added to their marked losses of the preceding week, and industrial bonds were generally inclined to soften.

The strength in gilt-edged issues was considered largely due to the decline of the Canadian dollar toward par. When this downward trend of our dollar in New York was reversed on Nov. 28, the high-grade bond market again tended to weaken.

The recent slump in the market, starting about Nov. 14, just after the Canadian dollar rose above par in New York, was by far the sharpest of the year to date. About 50 per cent of the decline was recovered by Nov. 27, as the chart elsewhere on this page indicates. The decline was attributed entirely to American selling because of the increased capital value to Americans from Canadian bonds quoted in Canada in terms of our currency. A substantial volume of Canadian high-grade issues had been purchased in the United States earlier this year, and showed a profit to holders. As soon as the Canadian dollar declined, this selling pressure lifted, it is reported.

Trend of Yields

The recent trend of gilt-edged bond prices in Canada is indicated by the yields tabulated below:

Average Yield on Seven High-grade Canadian Bonds

	%		%
Nov. 28	4.580	Nov. 14	4.410
Nov. 27	4.543	Nov. 7	4.420
Nov. 25	4.557	Oct. 31	4.420
Nov. 24	4.573	Oct. 16	4.420
Nov. 23	4.661	Sept. 30	4.459
Nov. 22	4,666	Aug. 31	4.359
Nov. 21	4.641	July 31	4.447

Because of the disturbed condition of Canadian bond dealings, new offerings were again sparse. L. G. Beaubien & Co. offered $175,000 of five per cent bonds of the Roman Catholic Diocese of Toronto at par. The issue of $5,000,000 Nova Scotia 4½'s of 1945 offered last week by a syndicate headed by Wood, Gundy & Co., is understood to have moved slowly because of market uncertainty.

Westerns Uncertain

Western provincial bonds failed to recover from their sharp decline of the week ended Nov. 21. Losses were recorded for numerous issues and gains were scattered.

Declines in corporation bonds were mostly for minor amounts. Gains among the utilities were not sufficient to offset the declines recorded a week ago, but Duke Price 6's of 1966, Calgary Power 5's of 1960, Canada Northern Power 5's of 1953, and West Kootenay 5's of 1956 put on gains of 1½ points. Two-point advances were recorded on the bid side of the market for Gatineau Power 5's of 1956, Quebec Power 5's of 1968, and Shawinigan 5's of 1970.

EAST YORK TO PAY INTEREST ON DEC. 1

T. Bradshaw, Chairman Supervisory Board; Reeve Leslie Named

C. R. McKeown, chairman of the Ontario Municipal Board has announced Thomas Bradshaw, president North American Life Assurance Co., as chairman of the board of supervisors for East York Township, Ont. Other members are: Reeve R. M. Leslie; H. D. Martin, architect; Frank E. Waterman, of Toronto Brick Co., and Col. A. E. Nash, of Clarkson, Gordon, Dilworth, Guilfoyle and Nash, chartered accountants. It is understood that Reeve Leslie will have to withdraw from council to keep his place on the board. Supervision of the township does not necessarily mean cessation of interest payments on the township's bonds, The Financial Post is informed. Interest due Dec. 1 will be paid, it is understood, but principal will not be met. Future interest payments rest with the supervisors.

Tax Arrears Mount

Tax collections of the township to Oct. 31 are reported at $728,444, on account of the 1933 levy, and $392,676 on account of arrears and penalties. The total of $1,121,120, compares with a tax levy for 1933 of $1,436,213. Total tax arrears at Jan. 1, 1933, were $814,234. Analysis of the proportion of the current levy and arrears collected to date would indicate that the total arrears may be increased to over $1,000,000 by the end of this year.

EXPECT YORK TWP. TO PAY ON DEC. 1

T. Bradshaw Chairman of Board of Supervisors

York Township, Ont., will pay interest due on its bonds Dec. 1, it is understood. Principal is not expected to be met. Supervisors will determine the future interest payment policy.

C. R. McKeown, chairman of the Ontario Municipal Board, has announced appointment of a board of supervisors for York township, Ont. Chairman is Thomas Bradshaw, president North American Life Assurance Co., and other members are: reeve A. J. B. Gray and H. C. Jeffries, representing the township; Launcelot A. S. Dack, Canadian Bank of Commerce, and D. McClelland, president, Price, Waterhouse and Co., representing creditors.

Appointment of Mr. Gray to the board constitutes a departure by the municipal board from its previous policy of not appointing council members on control boards. It is stipulated, however, that Mr. Gray must withdraw from York township politics at the end of the year, if he is to retain his place on the supervisory board.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Northern Electric	*5%	1939	Dec. 1	105
Consumers' Glass	†5%	1948	Dec. 1	...

* $190,000 redemption for sinking fund.
† $25,000 purchase of bonds for sinking fund.

Bond Tenders

5 p.m., Dec. 1, Sainte Cecile of Whitton, P.Q.—$11,000, 5½ per cent bonds, dated Nov. 1, 1933, redeemable by series to 1953. Object of loan: debt consolidation. J. A. Beaudoin, sec.-treas.

8 p.m., Dec. 19, Sainte Agathe des Monts, P.Q.—$35,000, 5½ per cent bonds dated Nov. 1, 1933, redeemable serially from Nov. 1, 1934, to Nov. 1, 1963; payable at Provincial Bank at Montreal or Sainte Agathe des Monts. Object of loan: floating debts and improvements to electric system. Rodolphe Darze, sec.-treas.

Name T. Bradshaw Finance Chairman 10 Municipalities

Thomas Bradshaw, president North American Life Assurance Co., is now chairman of 10 supervisory boards in Ontario municipalities, with his appointment to this post on the boards of York and East York township, Ont.

The municipalities, on supervisory boards of which he is neutral chairman, are: city of East Windsor; towns of Riverside, Tecumseh, LaSalle, East and West Sandwich, Sandwich; townships of Scarborough, York and East York. In addition, Mr. Bradshaw was formerly on the supervisory board for the city of Windsor.

Some difficulty was experienced in negotiations in connection with the most recent appointments, those for East York and York townships, The Financial Post is informed. It is understood that Reeve Gray of York township was favored for the chairmanship in some quarters, but was not approved by the Ontario Municipal Board.

Investment Notes

Significant Investors' Index Numbers

1926 = 100

No. of Securities:	Iron and steel 19	Pulp and paper 8	Milling 5	Oils 4	Textiles and clothing 9	Food and allied products 19	Beverages 8	Total industrials 93	Total utilities 19	Total co's. 118
1929-32:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	201.4	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1933:										
January ..	49.5	3.3	41.1	93.6	36.8	82.9	34.0	59.6	44.6	50.8
February ..	44.4	3.6	39.7	86.5	33.6	80.2	31.6	56.3	38.6	46.6
March	44.8	2.3	37.8	86.7	32.2	78.6	36.0	57.3	38.2	46.6
April	48.6	2.7	44.3	98.1	31.2	85.3	37.8	67.5	38.5	52.0
May	65.5	3.8	60.9	122.4	45.7	105.1	63.2	85.8	47.2	64.7
June	83.0	6.4	70.3	141.6	55.2	118.2	106.4	103.6	53.8	76.1
July	98.1	8.4	79.1	156.6	60.0	139.1	164.3	118.3	58.5	85.0
August	91.2	7.6	76.4	147.6	59.1	126.8	152.1	113.3	53.9	80.3
September .	84.8	7.3	73.0	150.4	61.6	121.0	159.4	115.1	50.7	80.2
October ...	72.4	6.0	70.8	128.7	58.2	111.5	127.5	100.1	45.9	71.5
Weekly Figures:										
Nov. 2	66.0	.6	61.6	119.3	44.4	99.7	124.6	89.2	39.4	64.5
Nov. 9 ...	67.8	.6	61.6	129.9	44.3	101.6	131.5	94.5	39.6	67.2
Nov. 16 ...	67.0	.6	60.9	139.2	44.7	102.9	124.7	97.4	39.3	68.2
Nov. 23 ...	68.0	.5	59.6	142.8	44.8	102.1	115.9	98.3	38.5	68.8

*High and low of 1929 and 1932 are based on weekly figures. In 1933 index numbers are given monthly for the first ten months and then weekly. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

United Fuel Net Gains

NET earnings of United Fuel Investments, Ltd., Hamilton, for the 4th successive month were $42,351 greater than in October, 1932. The increase in net earnings for seven months is reported to have been in excess of $115,000.

Net gain in working capital amounted to $158,000, it is stated on good authority. Bank loans, which normally are somewhat high at the close of the summer, when stocks of coke are being acquired to take care of winter demands, as at October 31 were approximately one-third the total on the same date of the previous year.

* * *

Walker's Delaware Incorporation

HIRAM WALKER & SONS, Inc., is being reorganized as a Delaware incorporation to supersede the Michigan company of the same name formed to manufacture and distribute whisky and other products in the United States from a plant being built at Peoria, Ill.

The company is actually manufacturing in a temporary plant leased at Peoria, Ill., and, according to W. J. Hume, president, "will have goods of our own manufacture for blending purposes whenever it becomes legal to sell goods for beverage requirements."

Business in Canada shows a substantial increase in the first two months of the current fiscal year over the same period of 1932.

* * *

Oil Price Fixing Deferred

FIXING of crude oil prices at $1.10 barrel mid-continent, and of other crude oils at relative prices and the establishment of fixed schedules for gasoline and other products have been deferred to January 1. This has been a great relief to many operators who feared that fixed prices would turn public favor to well-known brands as soon as the public had no price advantage in doing otherwise. Some big companies also distrusted any attempt at price-fixing as unsound.

In any case the effect in Canada has not yet become apparent because it is understood that fixed prices of crude oil will not apply either to sales of crude oil or of gasolines exported to Canada or any other foreign country. It is probable that the competitive situation in outside markets will be taken into account in any further adjustments made to the Oil Code or in the regulations governing its administration.

* * *

Why Flour Exports Drop

MARKET data arriving from London, England, indicate why the summer spurt in flour exports has not kept up. The immediate reason was doubtless the decline in wheat and the uncertainty as to whether flour prices would be constant but a bigger reason is the exceeding cheapness of flour brands from other countries. The cheapness of flours milled in England, Australia, Germany and France makes it difficult for importers to place Canadian flour as readily as they did. London millers are reported to be booked heavily right up to January.

The Northwesern Miller quotes a price from an English mill of 21 shillings a bag of 280 pounds delivered to the bakery. That is the same as a price of 17s. 6d. c.i.f. as compared with Canadian patents at 21s. to 22s. c.i.f. Australian flour is selling at 15s. to 16s. a sack c.i.f. and French flour at 12s. German flour has sold as low as 9s. a sack without doing much business.

The French and German soft wheat flours are used mainly by packers and by biscuit manufacturers. The packers put up a blended flour for sale in small packages to households. They are profitable to handle and though some admixture with Canadian flour is necessary to improve quality they lessen demand for Canadian flour to some extent.

Fluctuations in exchange make the doing of business even more difficult as importers in England see that the Canadian dollar is influenced by the United States dollar to some extent and have no confidence in stabiliy of prices.

* * *

Industrials Advance Materially

PRICE movements of 118 stocks listed on the principal Canadian stock exchanges declined to a very low point in February and March, 1933, steadily advanced in a remarkable manner to a peak in July, declined again until in the week ended October 26, 1933, they were only 33 per cent above the level back in March and then started upward again until latest index figures from Ottawa indicate last week a point nearly 50 per cent higher than at the low of March.

If one further analyzes these figures and ignores the July high, he finds that in 1933 there has been an advance of nearly 85 per cent in industrial stocks and that utility stocks have remained on the whole almost constant at the low point. Average advance of 19 iron and steel stocks was about 50 per cent, of five milling companies stocks 60 per cent, of four oil stocks 66 per cent, of nine textile and clothing stocks 23 per cent, of 19 food and allied products stocks 30 per cent, of eight beverage stocks 220 per cent and of 21 miscellaneous stocks 85 per cent.

* * *

Maple Leaf Interest Paid

MAPLE LEAF MILLING CO. directors have decided to pay interest on the company's 5½ per cent first mortgage bonds. The official announcement reads:

"The directors of Maple Leaf Milling Co. have decided to pay interest due Dec. 1 next on the company's outstanding bonds. As in the case of the payment made last June, payment will be made in Canadian funds at the offices and agencies of the company's bankers."

The payment in Canadian funds, at present exchange rates, is more desirable than payment in American funds. Refusal of the latter to bondholders last June resulted in considerable criticism. Now the tables are reversed, although bondholders have the technical right to ask for U. S. funds. Last June, however, the American funds which were refused to bondholders were worth a 13 per cent premium in Canada. Since the Canadian dollar has not yet gone that far above American money, bondholders still appear to be losers by the deal.

So far, the company has maintained interest payments although not fully earned after all charges on income. Omission of sinking fund payment last June and refusal of American funds were considered technical default in some quarters. Bondholders are understood to have objected, but finally accepted, presumably because they felt that a good part of the loaf was better than no bread.

Revision of balance sheet items suggested at the annual meeting by the company is understood to be deferred for the present. While revision is expected to come, it is said that it will not be in the immediate future.

* * *

Monel Comes Back

IN CONNECTION with the increasing uses for Canadian nickel, it is interesting to note according to "Sanitary Engineer," Toronto, that the International Nickel Co. of Canada Ltd., Toronto, has imported from one of its U.S. subsidiaries an initial shipment of 200 Monel metal range boilers for the Canadian trade. These range boilers, processed in the U.S. from Canadian nickel, are claimed to have many advantages such as lifetime usefulness which offsets the higher initial cost. Monel metal range boilers make an interesting addition to the company's line of products available through the plumbing trade.

Bondholders Approve Plan Reorganize Godfrey Realty

Plan of reorganization of Godfrey Realty Corp. was unanimously approved at a recently held bondholders' meeting, at which some 60 per cent of the outstanding bonds were represented. Coupons due Dec. 1 will not be paid, but bondholders are being advised by mail as to how income coupons will be made available. Notice will also be given of any distribution to be made to bondholders under the income plan of financing.

The approved plan, which is now operative, calls for waiving of all interest coupons due up to June 1, 1936. Installments equal to one-sixth of the full interest will be paid from Dec. 1, 1933, to June 1, 1936, inclusive. The remaining five sixths of the interest will be payable June 1, 1938, with six per cent interest accrued. Sinking fund payments will be deferred until 1938 under the plan.

Manitoba Producing Gold

Manitoba is rising as a gold-producing province: September's output amounted to 12,073 ounces.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold to—	Rate	Due	Amount	Price	Yield
Hamilton (additional)	Nov.	Locally	5%	15 ins.	$23,900	...	4.75%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Maturity	Amount	Price	Yield
Roman Catholic Episcopal Corp. (Diocese of Toronto)	Nov.	L. G. Beaubien & Co.	5%	10-yr.	$175,000	$100	5%

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COFFEE

Chase & Sanborn's Coffee has been sales leader in Canada for over half a century.

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FLEISCHMANN'S YEAST
MAGIC BAKING POWDER
ROYAL YEAST CAKES
GILLETT'S LYE
POND'S CREAMS
LIBBY'S 100 FOODS
LUX
SWIFT'S PREMIUM PRODUCTS
BANK OF NOVA SCOTIA
KRAFT CHEESES
MIRACLE WHIP SALAD DRESSING
JERGEN'S LOTION
CREAM OF WHEAT
B. A. OIL PRODUCTS
CUTEX
ROWNTREE'S
DR. WEST'S TOOTH BRUSH
WINDSOR DUOTOWLS

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TORONTO, DECEMBER 2, 1933

TWO NATIONS SIDE BY SIDE

SIDE by side on the North American continent are two nations. Both have experienced bitter economic and financial tribulation in the past four years, and both found business at the lowest point in a decade last March.

In the larger of the two countries drastic steps were taken to stem the downward tide and measures of far-reaching social and economic significance were invoked. The smaller country held to the middle course and attempted as best it could to breast the blows of circumstance without yielding to pressure within and without for a complete revamping of the social and economic structure.

Comparative figures are now available showing how, at the end of six months, each nation has fared as the result of recent developments. The figures are highly illuminating:

	Business Improvement Since March, 1933* Smaller Nation (%)	Larger Nation (%)
Business activity	+28.5	+30.6
Auto production	—12.5	+64.0
Electric power output	+9.0	+16.8
Commercial failures	—24.0	—42.6
Steel ingot production	+244.0	+154.0
Employment	+17.5	+35.2
Farm prices	+16.8	+40.0
Imports	+18.0	+54.5
Exports	+57.2	+48.0
Bank debits	+30.0	+11.3
Car loadings	+33.5	+40.0
Stock prices	+54.0	+73.5
Commodity prices	+7.0	+17.6
Construction contracts	+162.0	+105.0

*Or spring low.

What the ultimate moral of this little study may be, is perhaps still in doubt. For the time being it seems very obvious that the smaller nation has done almost as well by its passive policy as has the larger nation by more positive measures. Doubtless the smaller nation benefitted to some degree by its proximity to the larger country, but there is much evidence to support the view that the larger nation would have fared almost as well even without recourse to its radical programme. In other words, that the tide had turned before the ballyhoo began.

This much seems true, that the smaller nation may be very thankful she did not embark on some of the ventures included in the programme of her friend, the larger nation. For prosperity is returning to her as it is to most other nations of the world and the future looks infinitely clearer than does that of her more experimental neighbor to the south.

IS IT STERLING THAT IS TO BACK CANADIAN CURRENCY?

THERE is one recommendation in the Macmillan report which deserves very sober study. It is urged that Canada's new Central Bank should maintain a proportion of 25 per cent in "gold and foreign exchange" against its outstanding note issue and sight liabilities.

Starting the bank off with a 25 per cent gold cover would occasion no comment. The World Economic Conference confirmed the opinion of leading bankers and economists that 25 per cent of gold is sufficient against the currency outstanding in any country. But the World Conference adjourned before it got around to the question of discussing the gold exchange standard. In the agenda laid before the conference it was pointed out that the practice of central banks in various countries of supplementing their gold holdings with foreign short term assets had not worked without revealing some grave defects. The opinion was expressed that this system of holding foreign exchange balances, if properly controlled, might for some countries hasten their return to an international standard, and would form an essential feature in the permanent financial arrangements of the countries which had no highly developed capital market. This simply means that the experts on the preparatory committee felt that the gold exchange standard was dangerous, although it might be reformed sufficiently to work in a more stable financial world.

When Great Britain went off the gold standard, many European countries that had been holding sterling exchange against their currencies, rather than gold, found themselves in a very desperate position and were forced to abandon gold entirely with great losses to their central banks and treasuries. The general opinion of economists is that the exchange gold standard is still in the experimental stage. Yet the Macmillan commission asks us to adopt it in Canada.

It may fairly be asked if this clause in the proposed central bank set-up is not related to the plan, which has been insistently propagandized throughout the Empire, of having the gold holdings of all the Empire countries concentrated in the Bank of England. London would hold the gold and Canada would hold in its treasury various obligations of the Bank of England. This would definitely tie our dollar to sterling, and would subject it to the influence of policies determined in London, and not in Ottawa. If, as is suggested, the first governor of the new Canadian central bank is to be selected from the Bank of England organization, the tie-up with London would be complete.

All well-informed financial men in Canada realize that our financial position is quite different from that of any other British country. We are the only large British country that is a next door neighbor of the United States. We have more American capital than British capital invested in this country. For the economic prosperity and social welfare of our citizens it is highly desirable that we should remain in a position to deal with both London and New York when we wish to continue in the position that Mr. Bennett describes as "midway between the countries of the sterling and the dollar group." If we start off our central bank as a virtual subsidiary of the Bank of England, as the Macmillan report clearly implies we should do, we will undoubtedly strengthen our tie with Great Britain and the other Empire countries, but we will, at the same time, lose some of the financial independence which is so valuable to us now.

LOOKING TO THE CHIEF

THE FINANCIAL POST has steadily opposed a public investigation, so generally advocated throughout the country by the press and public bodies, of the treatment of convicts in the national prisons. Enough is known already to prove that conditions are very bad, despite ministerial denials. A Royal Commission would be a waste of time and money. The expense might run from $50,000 to $100,000 or more to be added to our taxes. It would distract the national attention from the very serious national problems of waste, and the still greater dangers inherent in the Central Bank proposal. And a Royal Commission has no responsibility for putting its recommendations into effect whereas departmental officers, who find errors in their methods, must correct them.

What do common-sense and good business experience suggest? In successful business administration, when the head of a department makes such a serious failure as has happened in the Justice Administration of this country, he is held responsible and a good president or general manager at once replaces him. If he is not replaced, then the shareholders hold the president responsible. This is the situation today. Mr. Guthrie, Minister of Justice, has failed badly. Hence, it is now up to the supreme head, the Prime Minister. It is to him Canadians must now look for an immediate correction, instead of putting the country to the great expense of a Royal Commission.

The Prime Minister has a terrific fight on his hands and we should try to help him. He is a very able advocate but he has never had any experience in building or directing a business organization, in finding and training men. Hence, it is in the national interest he should have executives with the capacity and experience to manage successfully his various departments.

It has been the practice for political heads to excuse themselves by blaming their subordinates. There is no man in the public service who has worked harder or more conscientiously than Mr. Breadner, permanent chief of the customs branch; yet he is blamed by the political chiefs for the present intense unpopularity of his department. His minister first and the Prime Minister next must be held responsible. When political chiefs realize that this is how the public look on the situation the country will get a much more serious and a much wiser administration.

If any enquiry is necessary it should be by a Parliamentary committee. Experience shows they have always got more immediate and direct real results than have any of our ponderous Royal Commissions.

JURISDICTIONAL PROBLEMS RUN UP OUR TAXES

CONTINUING its studies in Canadian economic problems, the Department of Political and Economic Science and the Course in Commerce at Queen's University have taken up, in the current issue of the Queen's Quarterly, the financial problems of our federal system. Particular reference is made to the tangled skein of the Dominion-provincial relations in finance, which constitute one of the most perplexing problems in the country.

The various statutory and special subsidies that have been paid by the Dominion to the different provinces are outlined and it is made fairly clear that inherent in the situation are numerous political evils. In the first place encouragement is given to political bribery on a large scale as a means of securing or retaining the support of disaffected provinces. The Queen's economists argue that individual bargaining is not a provident or a moral method of revising the subsidies of the Dominion to the provinces.

The suggestion is made that a thorough overhauling of the British North America Act is needed, with a redistribution of the powers between the Dominion and the provinces, particularly in the field of social services where they feel the responsibility should be national rather than provincial.

The second suggestion is that the Federal Government be given some power of supervision over provincial borrowings. This supervision is imperative if the Dominion treasury is to finance the weaker provinces as it has done during the past three years in order to maintain unimpaired the credit of Canada in foreign countries.

In connection with direct subsidies to the provinces it is felt that the special claims by the provinces should be dealt with by a commission or by some tribunal like the Exchequer Court to avoid political pressure and to strengthen the hands of the Dominion Government in refusing to accede to unreasonable demands supported by political agitation.

These are the more important of the suggestions.

The study by the Queen's economists is worthy of serious consideration. The Financial Post has, on previous occasions, pointed to the fact that the provinces have been fighting continuously for successive enlargements of their powers. Each such victory has involved them in additional expense without any commensurate decline in Dominion expenditures. In fact, the provinces have simply asked for greater power to spend money and at the same time have asked the central government to find the money for them to spend. The situation is fraught with great dangers to our national financial structure.

The Financial Post has also urged that when the Dominion does lend its credit to any of the provinces it should insist upon a larger degree of control over the budgets of the provinces.

The lack of understanding as to the responsibilities of the provinces and the Dominion in different economic and social spheres is responsible for a great deal of the excessive public expenditure in this country. One of the worst features of the situation is that when the Dominion makes a grant to the provinces to finance a portion of their expenditures, on, say, a public highway or a new pension scheme, the provinces are often prone to go ahead with expenditures that would not even be considered if they had to put up all the money themselves.

EDITORIAL NOTES

It has taken Mr. Roosevelt's Bullitt sixteen years to hit the bull's eye.

* * *

Hitler will have quite a job finding jail space for the 2,105,447 people who voted against his policies.

* * *

In London, Sir Charles Addis said the time was coming when Canada would be tied in the indissoluble bonds of a unifying British Empire "by the inexorable force of circumstances and the decree of Providence." He might as well have been frank about it and added "by a central bank managed from London."

* * *

Apparently Roosevelt's attitude to the dollar is that "they've got to keep on kicking our dog around."

* * *

Litvinof wore a "broad-brimmed black hat" in Washington. And no doubt was mistaken for a Congressman.

* * *

Soon it may be possible to spout poetry about Roosevelt and his money policy to the theme of "When all but he had fled."

* * *

When "Jim" Curran of the Soo Daily Star wore his fur coat in Toronto the other day, people realized that here was one man who is not afraid of the big, bad wolf—when it's dead.

* * *

In the forties Canada built the St. Lawrence canals to create jobs. But the carrying costs on them have since then totalled many times the original cost. With public works as a cure for unemployment it is always well to remember that "It isn't the original cost but the upkeep."

* * *

From the Calgary Albertan:

> "The Albertan is glad to have this opportunity of congratulating its evening contemporary, The Herald, on the attainment of its fiftieth anniversary . . . . We have common ideals and common ambitions and a common determination to serve the public of our city with impartial news of current events from all the world over. In matters of opinion we occasionally encounter differences, but we are proud in the knowledge that these have never yet sunk to the level of a bar room squabble."

Toronto evening newspapers please copy.

Post-Scripts

WHEN Dr. O. M. W. Sprague, recently departed Washington economic adviser, was working for the Bank of England, he was occupied for nearly a year and a half with determination of depreciated currency policy. That was during the period September, 1931, to May, 1933, when sterling was off gold, which, of course, it still is.

British authorities have steadily contended that the operations of the "sterling equalization fund" were chiefly bent toward stabilization of the pound's fluctuations. On this continent there was some scepticism of this, particularly in the United States. It was thought that the fund was being used to depreciate sterling intentionally to benefit British foreign trade.

So when the United States, by gold buying, deliberately set out to depreciate the dollar, it was contended that Uncle Sam was doing just what other countries had done. In fact Mr. Roosevelt's Professor J. H. Rogers of Yale University, still contends that the policy is similar to those which have been adopted successfully by other nations.

Dr. Sprague, however, doesn't agree. He apparently sided with the British equalization fund's operations, in fact helped manage them. But he doesn't approve Washington's undisguised policy of deliberate dollar depreciation. In his eyes, at least, there is a difference between the two policies. Since he is one of the few men who know the inside story of each, and is presumably honest and intelligent, the British and American monetary policies may after all be substantially different.

Perhaps the British contention that the equalization fund was not used for deliberate currency depreciation purposes is true after all, whether or not the pound may have been kept too low in the stabilization operations. But one fact at least is definite. In terms of gold, the pound sterling is only some three per cent below its level of last April when the United States officially went off the gold standard.

ARTHUR HEWITT, president and general manager of the Consumers' Gas Co., Toronto, has found in the Encyclopedia Britannica a parallel for the N. R. A. in the United States.

The parallel is not exact. No one is being decapitated or deported for offenses against the N. R. A. In fact, the fines imposed under the N. R. A. are so small as to represent virtually a license to the man who wishes to evade it. The real punishment under the N. R. A. is public disapproval and this is daily becoming less threatening. The Roman precedent, as outlined in the Britannica, is as follows:

> "DIOCLETIAN, EDICT OF, ... an imperial edict promulgated in A.D. 301, fixing a maximum price for provisions and other articles of commerce, and a maximum rate of wages . . . .
>
> "The articles mentioned in the edict, which is chiefly interesting as giving their relative values at the time, include cereals, wine, oil, meat, vegetables, fruits, skins, leather, furs, footgear, timber, carpets, articles of dress, and the wages range from the ordinary laborer to the professional advocate. The unit of money was the denarius, not the silver, but a copper coin introduced by Diocletian, of which the value has been fixed approximately at 1/5th of a penny. The punishment for exceeding the prices fixed was death or deportation. The edict was a well-intended but abortive attempt, in great measure in the interests of the soldiers, to meet the distress caused by several bad harvests and commercial speculation. The actual effect was disastrous; the restrictions thus placed upon commercial freedom brought about a disturbance of the food supply in non-productive countries, many traders were ruined, and the edict soon fell into abeyance."

Sayings of the Week

"I enjoy speaking. I enjoy luncheon."—*Hugh Walpole.*

* * *

"I frankly admit I have a nineteenth century mind."—*W. H. Moore, M.P.*

* * *

"England is a big country that has turned into a big town."—*G. K. Chesterton.*

* * *

"Even truth is contagious, and it is astonishing how a little dose of reality can spread."—*Hilaire Belloc.*

* * *

"If the public wants dirt, I don't see any reason why any newspaper should give it to them."—*St. John Ervine.*

* * *

"If this civilization is going to endure, we've just got to start learning to mind our own business."—*Irvin S. Cobb.*

* * *

"This is the idealism of democracy—a belief in the worth of personality and of different personalities."—*The Master of Balliol.*

* * *

"The idea that the depression can be cured by increasing purchasing power is a pernicious doctrine."—*Professor J. H. Jones.*

* * *

"We are not concerned with the liberty of a few old men to mumble and blather in Parliamentary debate."—*Sir Oswald Mosley.*

* * *

"Two of the most important words in the world began with the letter C. The first is Change and the other is Courage."—*Bruce Barton.*

* * *

"I do not believe there is any man who is good enough and knows enough to exercise dictatorial powers over a free people."—*Rt. Hon. Stanley Baldwin.*

* * *

"The other day I heard during a long debate at Geneva a whisper: 'Silence is golden,' but a large part of the world has gone off the gold standard."—*Sir John Simon.*

* * *

"Americans are selfishly trying to wreck the world's value of gold. I do not think they will succeed but there will be grave disaster if they do."—*Sir Arther Samuel, M.P.*

* * *

"The trade of the world depends upon the peace of the world and the peace of the world is not defined by the objective fact that nobody is fighting."—*Rt. Hon. Ramsay MacDonald.*

Hornby Sees Migrants Under New Plan by '35

No Immediate Movement to "County" Settlements is Proposed—Malcolm MacDonald Coming

From Our Own Correspondent

LETHBRIDGE.—Brig.-Gen. M. L. Hornby of the Hornby Farms here and sponsor of the so-called Hornby plan of British settlement in Canada, is back after a journey in the interests of his colonization proposal that carried him to the capitals of the various eastern provinces and to Great Britain where he interviewed members of the British Government.

"I believe my plan of carefully selected and assisted migration will soon become a reality. In fact, the first tangible steps have been taken and everywhere Canadian and British governmental circles are admittedly favorable to the plan. Canada needs such a stimulus, the stimulus of new immigration of the right type for not only would it give the Dominion new agriculturists but it would also release large sums of new money for building these ready-to-operate farms and give farm values a needed tonic. I believe my plan to be the most feasible before the Government at the present time," said the general to The Financial Post.

No Early Movement

Rt. Hon. J. H. Thomas, in the House of Commons, said recently in answer to a question that no immediate migration from Britain under the Hornby plan is contemplated but that it was being studied by a parliamentary committee. General Hornby in answer said Mr. Thomas is right: no immediate settlement is planned. The reason for this is obvious. It is that previous preparation must be made very thoroughly for establishing these migrants in self-supporting homes on Canadian lands. "For two years now I have been urging the British authorities to get behind an organized plan of settlement in Canada. I have not been idle in Canada either and much good spade work has been done on this side for in five out of eight provinces locations for settlements have already been selected and reports and surveys are already being made," he said.

"How many sites have been chosen?" was asked.

"Ten definitely, all in the east," replied the general. "These are in Nova Scotia, New Brunswick and Ontario. In the West I have provisionally passed on six sites for settlements, as I call them, and these now await definite reports from the provincial Governments co-operating in the plan and other organizations concerned. These are locations in Manitoba and Saskatchewan. There are no settlement sites chosen in Alberta or B. C. but some are in prospect. I am leaving soon for Victoria in connection with this work shortly.

"I insist that the scheme be developed carefully; we already have suffered through aimless, haphazard colonization. The sites must be located close to good markets. The districts must be developed, there must be good roads, schools, public services, etc., soil conditions must be acceptable and living conditions favorable. I find plenty of good agricultural land available and most pleasing of all I find everywhere acceptance of my claim that we need more British people in Canada if Canada is to remain British. I maintain that the Mother Country is the logical source of immigration for Canada and with the home Government committed to a policy of overseas settlement, specially in Canada or Australia, with a large sum of money actually voted to assist this policy, I hold that the time to move is now. I found in England thousands of excellent rural families anxious to come to Canada.

"Preliminary reports will reach England before Christmas. Members of parliament will be further advised of the progress of the plan and now it is up to county committees in Britain and mayors of towns to meet us half way. Lists of selected applicants should be compiled at once if progress is to continue."

Little field work can be done during the winter, pointed out General Hornby, but in May he is expecting visits to Canada, in connection with this new plan of English migration by representatives of the county committees. With them will be Malcolm MacDonald, under secretary of state for the Dominions, who also is chairman of the Overseas Settlement Committee. The son of the British Prime Minister is personally much interested in the Hornby scheme as is also Sir Geoffrey Whiskard, permanent under secretary of the Dominions' office in charge of overseas settlement. These Old Country visitors will make personal surveys of the settlement sites and if the plan is found acceptable to the authorities in Great Britain, General Hornby says actual settlement will start in 1935.

General Hornby's Plan

In the meantime the fullest surveys will be made of individual farms in attractive localities. The plan is a simple one each settlement unit would consist roughly of 100 families settled on 100 farms. The farms will be "ready made" with a good cottage and barns, poultry house, etc., also stocked not with one cow and a dozen hens, says the general, but with several good milch cows, a good flock of poultry, pigs, and other animals needed for balanced, diversified farming. The general, who is himself English, says he knows what will be needed for he has been operating in Canada for many years and understands the situation here. "Under my plan migrants will not be dumped out in the country without capital or guidance or goal. They will be selected by the county selection committees and needed funds for the work will be secured from a loan guaranteed by the British Government, which is already pledged to some scheme of overseas settlement but insisting quite reasonably that any future move be adequately organized and financed.

Establish County Units

Groups from various Old Country counties will be brought out as units and located as one community. On their arrival they will go to the settlement ready to receive them. Expert guidance and supervision will be given these migrants on this side and this interest will be continued until they become firmly rooted and adjusted to their new surroundings. Social and church life will not be interfered with, neighbor relationships will go on normally, the newcomers will not meet "Nature in the raw" and the equipment will be at hand for them to go to work at once. All this, declares the enthusiastic colonizer, will make for contentment and success from the start.

Other People's Views

Central Banking in the Empire

Leeds Yorkshire Post: From the aspect of the economic development of the Dominions themselves the movement to establish Central Banks is to be welcomed. In the larger implications of Empire monetary policy the development of the machinery by which effect may be given to the mutual aims of the Empire governments endows the prospects and possibilities of Empire economic unity with a deeper meaning.

One To a Customer

Business Week.—Prof. Parker Willis, of Columbia University, one-time secretary to the Federal Reserve, recently made quite a speech in Chicago. Overproduction is a fallacy, he said. Don't worry about it. The thing to concentrate upon is proper distribution of products to consumers. His audience wondered just how this applied—it had never hoped to make more than one sale to each consumer, anyway, never had a complaint from a user, had no repossession or second-hand problem. But the Casket Manufacturers of America agreed it was a good speech.

Small Capitalists

Edmonton Journal—There are a comparatively few men who have a great deal of money and they alone are not the capitalist system; the millions of others who own money or bonds must be included. Even the great corporations are owned, in these days, by tens of thousands of quite ordinary people scattered all over the world. C. P. R. stockholders, for instance, like the company in which they have invested their money, span the world.

N. R. A. In Revelation

Edmonton Journal.—As a rule, old country people use scriptural passages in describing present-day happenings much more effectively than do those of this continent. But nothing could be more apt than the following quotation which a writer in the Detroit Free Press makes from the Revelation, chapter three, as a forecast of the N. R. A.:

"And he causeth all, both small and great, rich and poor, free and bond, to receive a mark in their right hand, or in the foreheads;

"And that no man might buy or sell, save he that had the mark, or the name of the beast, or the number of his name."

Revolution and Recovery

New York Herald-Tribune: The one fact made clear by Professor Tugwell in his extraordinary Chicago speech is that in his programme he puts social revolution first, and recovery second. So, in fact, do all the Left-Wingers who surround the President. There is method in their madness. So long as they can keep recovery waiting around the corner they feel that they have a better chance of stampeding the President and the country into a truly radical experiment with governmentally controlled industry. Once a measure of prosperity returns, their chance to effect a social revolution in the name of emergency relief is done for, they feel. It is the pressure of these revolutionary enthusiasts which has caused the bulk of the confusion at Washington.

Bad Advice

Border Cities Star: — While the Hon. W. D. Euler made a number of effective points in his attack on Federal and Provincial Conservatism, in the course of his address in Toronto, he gave the country no good advice when he urged amalgamation of the Canadian National and Canadian Pacific railways under Government direction.

We agree with Mr. Euler that there should be amalgamation—The Star has preached this for years—but we say with all the emphasis at our command that Canada should avoid, as if it were a plague, any suggestion that she get into the railway business on even a larger scale than at present. What Canada needs is to get out of the business entirely.

How Companies Are Controlled

New York Times:—As Mr. Cutler told the Senate committee, the question of stock control is "very much debated." Few of the largest corporations are controlled by any individual or group. So widely has stock ownership been diffused in the last ten years or so that one-man companies now are extremely rare. But because of this distribution of stock holdings, it is easier now than ever before to obtain what is known as "working control." This form of control as a rule—so far as the largest companies are concerned—is lodged in the managements. In most instances the stockholders have such respect for and confidence in their officers and directors that they send their proxies to the management committee as a matter of routine. The United States Steel Corporation and the American Telephone and Telegraph Company, to cite two companies in which no group has more than a small fraction of the outstanding shares, go on year after year re-electing their trusted directors and leaving control to them. And this is true of most companies.

"Stop Me If You Have Heard This One"

John, 7 years old, was attending his first class in geography. The teacher asked, "Who can describe the shape of the world?" John held up his hand, and the teacher responded with, "Yes, John, you tell us all about the shape of the world!" His answer had a confident ring, since he had no less an authority than his father:

"Daddy says the world is in damn bad shape."

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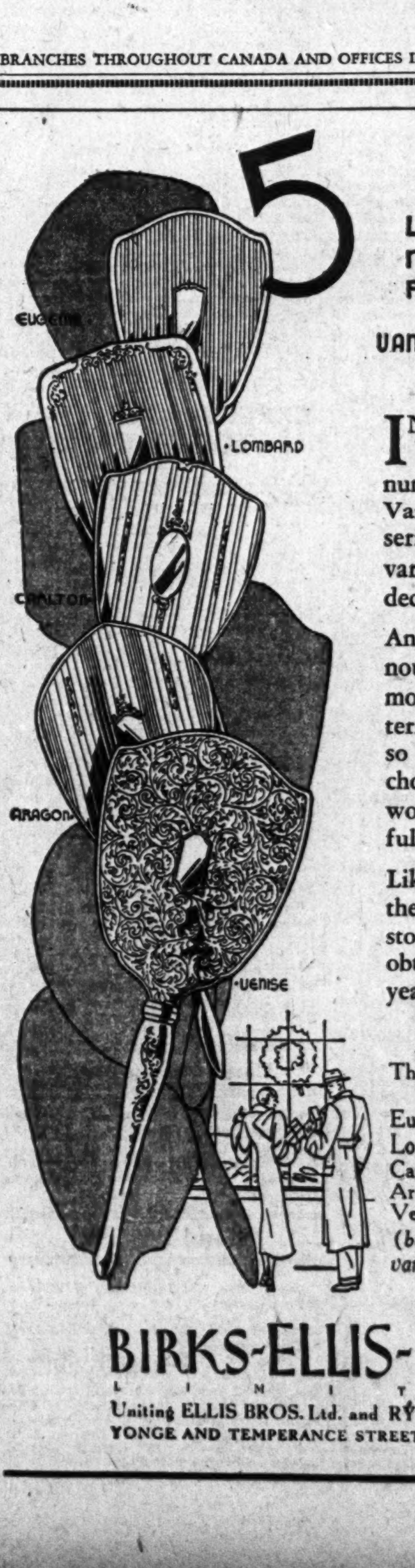

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The Week in Business

Dump Duty on U.S. Goods

UNITED STATES manufacturers who were barred from Canada by the large premium on the United States dollar over the past two years and who have been remaking their contacts in Canada since approximate parity has been established, will not be greatly hindered by the currency dumping duty imposed by Ottawa during the past week, The Financial Post learns. Representatives of these manufacturers state that they are able to sell at a profit in Canada when the currencies are at a parity and that as the dumping duty only eliminates the discount on United States funds, this condition now prevails.

It is interesting to note that prices in Canada and the United States at present bear, as nearly as can be estimated, the same relationship to one another as in 1926 when both countries were on a gold standard and that therefore the currency dump may be warranted. However, this situation seldom prevails between two countries, the conditions in Great Britain when commodity prices quickly reacted to the depreciation of the pound and balanced the decline in its gold value, being a case in point.

* * *

Commodity Dollar Attacked

THERE is one topic of conversation which almost invariably crops up when business men gather these days and that is the hectic fluctuations in the world money exchanges. Many persons are rather vague on just what is going on but there is no reason to doubt their interest in the situation. The latest turn which will aid to these discussions is the growing feeling in the United States against Roosevelt's commodity dollar, so-called. Reliable publications are giving great prominence to attacks on Roosevelt's monetary policy. For example, the Annalist, New York describes developments as follows:

> "After exasperating delay, the opening guns have been fired in what promises to be a gigantic battle to free the country from the menace of a commodity dollar. Our business and financial leaders are now thoroughly aroused and there is hope that the fight will be continued until the gold standard is restored."

The Annalist lists some of the outstanding events of the past week in this regard, as follows: Professor Sprague's resignation, Bernard M. Baruch's article on "Dangers of Inflation," the resolution passed by the Federal Reserve Advisory Council urging the establishment of a sound currency, and the speech of James P. Warburg declaring that it is "up to the latent majority to let the President know that the American people are ready to face whatever suffering there may be in a slow, orderly process of recovery." It does not mention Al. Smith's reference to the commodity dollar as the "Baloney" dollar although it would appear that that is a reference which would certainly appeal to the "latent majority of the American people."

* * *

Wintry Weather Helps

REPORTS continue to come to hand that Eastern Canada's early and severe winter has greatly stimulated retail and wholesale trade in seasonable goods, as already referred to in this column. On the other hand, however, certain classes of business have suffered and the extremely severe weather had also an adverse effect on outdoor employment. Gasoline sales were reported lower and lake transportation almost entirely suspended at the earliest date in recent years. Losses in gasoline sales in many instances have been offset by increases in sales of anti-freeze, tire chains, heaters and other winter accessories.

The Dominion Bureau of Statistics index for the week ended November 18 moved up from 84.2 to 85.2, four of the six major factors used in the compilation showing gains for the period. Carloadings in the week ended November 18 were slightly lower than in the previous week but the seasonally adjusted index made a substantial gain from 61.97 to 62.99. Grain loadings continue below a year ago but other types of commodities and merchandise carried are considerably higher.

Lumber exports in October totalled 117,404,000 ft. valued at $2,020,642 as compared with 55,255,000 ft. valued at $980,244 in October, 1932. During October, Great Britain took 56,515,000 ft. and the United States 31,819,000 ft. while considerable amounts were shipped to China, Japan, Australia, and British South Africa. Square timber exports chiefly Douglas fir totalled 17,332,000 ft. valued at $241,598 which compares with 6,717,000 ft. valued at $75,805, in October, 1932. Export of shingles, laths, pickets, shooks and veneers all increased.

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Business Conditions in Canada

NOTE OF CAUTION SEEN IN OCTOBER BUSINESS FIGURES

But Smoothing Adjustment Carries Index Above September

Business operations during October were actually more favorable than indicated by preliminary information. The Financial Post business index in its final form was 91.3 compared with 90.9 in September. Despite the slight gain in the index over the preceding month, productive enterprise in October was more spotty than had been the case for some months. The recovery from March to September was one of the most rapid on record and slackening of the pace or compensating reaction is regarded as a natural development.

The records for October were somewhat affected by the occurrence of five Sundays and a holiday for which no special adjustment was made in the computation, accounting in part for the lagging tendency of a considerable number of component factors.

Confidence Shown

The method of computation includes the taking of the three months moving average for smoothing the index and eliminating minor irregular fluctuations. The smoothing process accounted for the slight gain in the index over September.

The economic background reflected a note of caution as to immediate prospects. Common stock prices averaged about 10 per cent less than in September, while the index of wholesale prices was down one point. Ontario government bonds, on the other hand, averaged higher, reaching a new high point since August, 1931. And most significant of all, the adjusted index of employment moved up from 86.9 to 88.5 on November 1, a gain being shown in manufacturing after the usual adjustment for seasonal tendencies. The employers of Canada are showing profound confidence in near by prospects by adding to their working forces.

Materials—A bright showing was made by mineral production, the sub-index moving up from 108.8 to 117.7. Six out of the nine factors used to determine the trend in the mining industry showed gain after seasonal adjustment, while the others continued at high levels. Bauxite imports were more than 17,000,000 pounds compared with 15,000,000 and coal production was 1,549,000 tons compared with 1,101,000 in September.

Manufacturing — The output of manufacturing plants having due regard for seasonal tendencies was less in October than in September. The sugar industry was the only unit engaged in food production in which expansion was shown in the latest period for which statistics are available. The meat packing and milling industries showed decline after seasonal adjustment, while the gain in exports of cheese and canned salmon was less than normal for the season.

Imports—The release of tobacco for consumption was more than maintained. Imports of crude rubber were 5,780,000,000 pounds compared with 5,869,000 and the production of tires was at a somewhat lower level. Imports of raw cotton were 12,287,000 pounds compared with 7,409,000, the adjusted gain being more than 11 p.c. Imports of cotton yarn and wool showed decline in October.

Pulp and Paper—Operations of the wood and paper group showed moderate decline from September, the highest point of the year having been reached in August. The imports of petroleum were 91,714,000 gallons compared with 108,097,000.

Building and Power—Construction was a bright spot, the index moving up from 26.9 to 42.6. The output of electric power was greater than in any other month in history, the total being 1,617,786,000 kw.h. compared with 1,489,322,000. After adjustment for seasonal tendencies the output was practically maintained at the September level.

Bank Debits—The gain in bank debits over September was less than normal for the season, the total being $2,823,000,000 compared with $2,457,000,000.

Commodity Prices

Commodity Prices at Wholesale‡

	Week ending Nov. 25	Previous week	Same week last yr.
Cattle, cwt.§	$5.10	$5.00	$4.75
Copper, lb.	.08¼	.08¼	.05⅝
Cotton, lb.	.1010	.1015	.0590
Rubber, lb.	.0906	.0875	.0333
Sugar, raw, lb.	.0315	.0318	.03
Silk, lb.	1.40	1.52½	1.52½
Wheat (Man.) bu.°	.60¾	.65¼	.46⅝
Hides, lb.	.10½	.10½	.06½
Coffee, lb.	.07⅝	.07½	.08½

Weekly Indices♦

N. Y. Annalist‡	102.6	104.9	88.1
Fishers'	71.7	72.1	†62.0
N. Y. Journal of Comm.	70.2	71.1	5.75
Crumps (Brit.)	63.2	63.5	†62.4
Can. (D.B.S.)▲	84.2	83.9	75.0
U. S. Labor•	71.7	71.2	64.2

†Average, 1932.
‡Week to Nov. 21.
▲Nov. 4.
•Nov. 18.
§Nov. 23.
°Nov. 27.

Monthly Indices♦

Canada (D.B.S.)	Latest w'sale	Prev. month	Same month last year
W'sale (Oct.)	67.9	68.9	65.0
Retail (Oct.)	77.9	78.8	81.4
U. S. Labor (Oct.)	71.2	70.8	64.4
Gt. Brit.* (Sept.)	69.5	69.2	68.9

♦N. Y. Annalist base, 1913, others 1926 = 100.

*Board of Trade Index, converted from 1913 base.

‡Basis of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York; silk—Japanese, 13-15, New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

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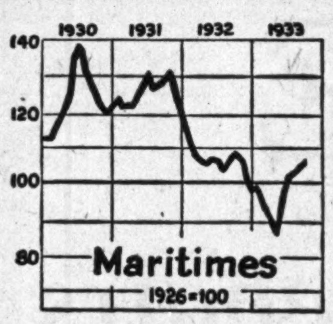
Maritime Business Gains Minor Declines Elsewhere

The Financial Post Business Index Falls Slightly in October — Progress During the Year Reviewed — Gains Average 20 Per Cent

By SYDNEY B. SMITH

The marked improvement in business conditions since the first quarter of the present year was not limited to any one of the five economic areas but was general in each of them. This widespread recovery is indicated by the regional indexes as published from month to month in The Financial Post. Further gain was recorded in the Maritime Provinces during October, minor recessions being shown in the other areas, except in the Prairie Provinces, where the decline in the index was almost six per cent.

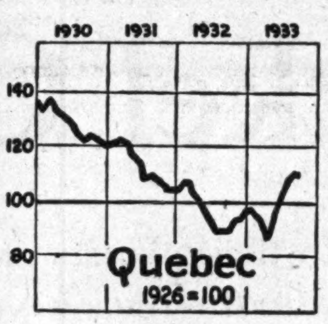
Maritimes—Five of the nine factors used in the compilation of the index for the Maritime provinces showed gains in October over the preceding month. Contract awards were $809,000 compared with $485,000, the increase in the adjusted index being nearly 24 p.c. Building permits and output of electric stations showed a decline after seasonal adjustment. The adjusted index of employment was 90.4 compared with 89.6 at the first of October, a gain of 1 p.c. The increases in bank debits and sales of life insurance were less than normal for the season.



Imports through Maritime province ports were valued at $2,497,000 compared with $2,071,000, an adjusted gain of 20.5 p.c. Exports were $3,850,000, a slight gain being shown over September even after seasonal adjustment. Tonnage of vessels cleared from Halifax and Saint John was 810,628 compared with 755,110, the adjusted gain being 6.4 p.c. It was reported that during a recent week the Dominion Iron and Steel Co. of Sydney had an average force of 1,805 men on their payrolls. The Dominion Coal Co. employed 8,000 men at Glace Bay and vicinity. The potato crop of New Brunswick was estimated by the N. B. Department of Agriculture at 5,628,000 cwt. valued at $2,890,000 compared with 3,856,000 cwt. worth $1,171,000 in 1932.

The business index of the Maritime provinces was 106.9 in October compared with 105.8 in the preceding month, a gain of 1 p.c.

Quebec — Business operations in Quebec were nearly maintained in October at the relatively high level of the preceding month. The gain in construction contracts was less than normal for the season while the gain in building permits was 6.4 p.c. The gain in electric output of central stations was less than normal, the total daily average being 28,326,000 kw.h. compared with 27,635,000. A gratifying development was the improvement in the employment situation, the gain after seasonal adjustment being 4 p.c.

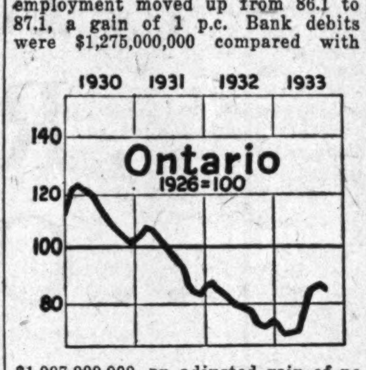


The gain in bank debits at $770,000,000 compared with $725,000,000 was less than seasonal standards. The gain in sales of life insurance was 13.5 p.c., the total being $11,014,000 compared with $8,079,000. The output of leather boots and shoes while at a high level showed a decline from the preceding month. The adjusted gain in the imports of raw cotton by textile manufacturers was 11.2 p.c. and the output of newsprint after seasonal adjustment recorded the moderate gain of 0.7 p.c.

The business index of Quebec was 110.4 compared with 110.8 in September.

Ontario—Five factors out of the nine used in determining the trend of business conditions by Ontario showed gains in October. Contract awards of $9,032,000 including an addition to a rayon factory and a grain elevator compared with $2,577,000 in the preceding month. Building permits contrary to seasonal tendencies showed a decline.

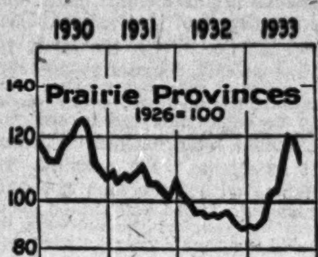
Average daily output of electric power was 14,001,000 kw.h. compared with 13,337,000, the adjusted gain being 2 p.c. The adjusted index of employment moved up from 86.1 to 87.1, a gain of 1 p.c. Bank debits were $1,275,000,000 compared with $1,007,000,000, an adjusted gain of no less than 9.6 p.c. The gain in sales of life insurance at $12,606,000 compared with $10,451,000 was slightly less than normal for the season. While activity in the meat-packing industry was greater, the increase fell short of seasonal standards. The output of steel ingots showed an adjusted gain of 12.2 p.c. while the automobile industry was inactive pending the introduction of new models.



The business index for Ontario was 85.7 compared with 87.1 in September, a decline of 1.4 points.

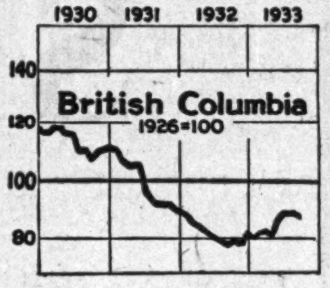
Prairies—The gain in the output of electric power was the constructive factor in the business trend of the Prairie provinces, the daily average being 3,611,000 kw.h. compared with 3,008,000 in September. The seasonally adjusted index moved up from 169.4 to 180.0, a gain of 6.3 p.c. Construction contracts were $386,000 compared with $473,000, the adjusted index being up 7.2 p.c. A considerable percentage increase was shown in building permits, but the level remained relatively low. The index of employment was lower at the first of November, cancelling a part of the gain recorded on October 1. The gain in bank debits was less than normal for the season, the total being $601,000,000 compared with $558,000,000.

Sales of life insurance were $4,000,000 compared with $3,471,000, the adjusted index being practically maintained. Wheat receipts at country elevators were 46,412,000 bushels compared with 55,585,000 bushels, the decline being contrary to seasonal tendencies. The average cash price of No. 1 Northern wheat was 60.5 cents per bushel compared with 67.1, the decline after seasonal adjustment being about 10 p.c.



The business index of the Prairie Provinces was 112.8 in October compared with 119.8.

British Columbia — The index of business conditions in British Columbia is based on nine factors and of these four showed gains in October. The factors showing the trend of construction were reactionary. A significant development was the expansion in the use of electric power production on a daily average basis being 3,528,000 kw.h. compared with 3,287,000, the index being up 4.5 p.c. Employment showed a moderate gain after seasonal adjustment.



Sales of life insurance were $1,986,000 compared with $1,639,000, the adjusted gain being 3.5 p.c., the gain in bank debits was less than normal for the season.

Exports through British Columbia ports were $9,177,000 compared with $8,113,000, the adjusted gain being 15 p.c. Imports were $3,306,000 compared with $2,927,000 but the gain was less than normal for the season. The tonnage cleared from Vancouver was slightly less than in September.

The business index of British Columbia at 89.2 compared with 89.5 was nearly maintained in October.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (Nov. 18)	47,420	45,950	1,801,865	1,958,752
C. P. R. gross earn. (Nov. 21)	$ 2,388,000	$ 2,464,000	$ 99,210,000	$ 108,645,000
C. N. R. gross earn. (Nov. 21)	$ 3,002,091	$ 3,026,489	$ 127,358,836	$ 139,403,743
	Monthly			
C. P. R. net earn. (Sept.)	$ 3,003,328	$ 3,722,576	$ 9,971,451	$ 10,531,370
C. N. R. net earn. (Oct.)	$ 2,542,586	$ 2,692,726	$ 3,449,958	$ 5,294,555
Iron and Steel—				
Pig iron, tons (Oct.)	27,002	6,731	160,872	102,950
Steel, tons (Oct.)	48,496	17,102	315,325	274,945
Automobile prod. No. (Oct.)	3,682	2,923	60,371	56,473
Auto Vehicles—				
Passenger, sales, No. (Sept.)	2,722	2,218	36,173	35,581
Trucks & buses, sales, No. (September)	719	695	4,775	6,336
Auto. exports, No. (Oct.)	2,952	2,462	17,457	10,404
Construction—				
Building permits (Oct.)	$ 1,762,947	$ 3,056,137	$ 17,888,459	$ 38,082,336
Contracts (October)	$ 15,014,300	$ 8,875,600	$ 78,445,000	$ 118,510,400
Newsprint—				
Production, tons (Oct.)	191,452	157,506	1,639,701	1,612,854
Exports, tons (Oct.)	171,946	148,934	1,490,170	1,536,197
Sugar—				
Imports, raw, lbs. (Oct.)	28,612,100	48,444,800	451,860,000	626,209,300
Melt. & ship., lbs.*	65,532,210	76,543,030	638,110,234	737,944,993
Manufactured, lbs.*	112,533,399	115,873,720	685,908,267	772,487,907
Flour—				
Production, bbls. (Sept.)	1,392,683	1,384,500	9,438,280	9,790,923
Wheat flour exp., bbls. (Oct.)	514,368	528,794	4,124,351	4,062,894
Other Industrial Indices—				
Lumbering: Plank & board exports, mill. ft. (Oct.)	117.32	55.25	816.50	590.14
Boots and shoes, pr. (Sept.)	2,035,525	1,723,202	15,071,463	13,940,630
Petroleum, imp., crude gal. (October)	91,713,858	83,448,516	697,661,284	805,328,695
Cotton, imp., raw, lbs. (September)	7,409,192	4,558,000	68,549,192	61,132,000
Rubber, raw, imp. lbs. (Sept.)	5,868,575	6,204,016	28,639,451	38,473,675
Coal, imports, tons (Sept.)	1,468,108	1,296,274	7,932,705	7,939,816
Gasoline sales, gals. (Aug.)	61,862,000	61,668,000	318,335,000	326,277,000
Trade—				
Imports (October)	$ 41,089,424	$ 37,094,525	$ 322,194,364	$ 385,883,998
Exports (October)	$ 60,213,729	$ 56,626,095	$ 420,160,733	$ 405,248,525
Wheat exports, bus. (Oct.)	23,305,510	40,192,415	151,366,940	173,181,780
Labor—				
Employment Index (Oct.)	90.4	86.7	......	......
Electric Power—Output—				
M. Kilowatt hours (Oct.)	1,617,786	1,390,144	14,141,283	12,981,564
Finance—				
Failures, No. (September)	155	192	1,585	1,793
Failures, Liabilities (Sept.)	$ 2,344,568	$ 2,979,544	$ 26,347,327	$ 30,012,931
Bank debits (Oct.)†	$ 2,823,400	$ 2,367,200	$ 24,652,117	$ 21,293,389
Bond sales (Oct.)	$ 225,585,719	$ 101,640,105	$ 475,828,749	$ 372,234,858
Insurance sales (Oct.)	$ 31,253,000	$ 29,858,000	$ 292,370,000	$ 336,437,000
Automobile Financing—				
Used cars (September)	$ 764,400	$ 958,253	$ 8,491,244	$ 10,804,794
New cars (September)	$ 887,149	$ 938,254	$ 8,573,644	$ 11,006,906

*Four weeks period, Oct. 14 to Nov. 4. †(000's omitted). ‡Deficit.

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Central electric stations in Canada produced a total of 1,617,786,000 kw.h. in October, an increase of 8.6 per cent over September output and increase of 16.3 per cent over output in October, 1932. Output of hydro-electric power increased in each of the five economic divisions of Canada but output generated by fuel showed a small decline. Exports increased to 127,242,000 kw.h. in October from 122,907,000 kw.h. in October, 1932.

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The Trust is one of the glories of British Law and for more than five centuries has enabled men to provide for the future of their families and their own necessities.

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Children master TEXCRAFT in minutes yet never tire of it. TEXCRAFT comes in a strong box, 16" x 12½" with a richly colored cover. It makes an ideal Christmas gift. See TEXCRAFT at your local stores but, if unable to locate it, write for name of nearest dealer or, enclose a money order for $1.15 and a set will be mailed, post paid anywhere in Canada.

Manufactured Exclusively for the British Empire by:—

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481 University Ave. — Toronto, Canada

Tariff Board Hears Many New Complaints

British Figures Have Been Accepted in Woollens Case — Survey Made of Boot and Shoe Industry

From Our Own Correspondent

OTTAWA—With several important applications received, the Tariff Board this week begins, in earnest, the final phase of its activities—the investigation of requests for changes of duty from individuals and companies in Canada.

Hitherto the board has functioned as the interpreter of the Ottawa agreements and as the judicial body to which appeals from rulings of the National Revenue Department are carried. Now the task of hearing applications from Canadians for tariff changes is to be taken in hand.

Under the Tariff Commission Act the public is not permitted to lodge applications direct with the board.

Seasonal Fruit Duties

Most important domestic case comes from the Canadian Horticultural Council and marks the re-emergence of the tariffs on fresh fruits and vegetables as an active political issue. Ever since the Liberal administration enacted the "natural products" or arbitrary valuation section of the Customs Act in 1922, the fruit and vegetable tariff has been a subject of acute controversy. The growers desired seasonal protection on the basis of fixed import values. The old Liberal regime gave such protection but after a few years it was withdrawn. The Bennett government renewed the seasonal arbitrary valuations and for the past three years they have been rigorously enforced.

The Horticultural Council desires that present tariffs be made permanent. The growers fear that a change of government would result in the repeal of the section under which arbitrary valuations are authorized with the result that all existing seasonal tariffs and arbitrary valuations would be withdrawn.

They believe that if the present seasonal tariffs and arbitrary valuations are incorporated into the Customs Tariff Act, their chances of defending the present protective system in the future would be greatly improved.

It is believed that the views of the fruit and vegetable growers, in this regard, are shared by many other industries that now receive protection in the form of arbitrary valuations.

Ask "Modern" Tariff

The Horticultural Council brings another application to the Tariff Board, requesting a revision of the tariff on nursery stock. In this case, officials of the council declare that the intention is not to seek higher tariff but a modernization of the four tariff classifications covering this industry. These classifications were enacted long ago, and the industry has changed so rapidly in the intervening years that the items cannot now be applied intelligently.

Other Applications

The fruit and vegetable application will be heard November 30 and the nursery stock application December 1.

Other domestic applications set down for hearing in the third week of December include a request by McAllister Agencies Ltd., of Vancouver for a downward revision of the tariff on red telegage liquid used in motor car gas gauges; an application by the Canadian Bronze Powder Works Ltd., of Montreal for an upward revision of the tariff on bronze powders; an application by H. W. Cooey Machine and Arms Co., of Cobourg, Ont., for an upward revision of the tariff on firearms; an application by Brunner, Mond Canada, Ltd., of Amherstburg, Ont., for free entry of coke used for the manufacture of soda ash; and an application by William Smith and Sons, of Toronto, for lower tariff on imports of stoneware tableware from Britain.

Some of these cases are of general interest. The application re telegage liquid declares that this fluid is not manufactured in Canada and is presently dutiable at 40 per cent.

The producers of bronze powders declare their domestic market is threatened by German dumping and they desire a tariff of 14 cents per lb. In addition the raw materials going into the making of bronze powder—copper, spelter, and scrap brass, are all dutiable. The present tariff on bronze powder is 30 per cent and it was enacted as part of the Ottawa treaties. This, of course, is no barrier to raising the intermediate and general tariffs.

Dumping of Firearms

The Cooey firearm company states that its market is menaced by the mass production of huge armament plants. These plants, it is held, lack orders for munitions and, for that reason, are going in for the production of small firearms for the single purpose of cutting down losses. This, it is declared, is unfair competition and unless sales of these cheap rifles, pistols and shot guns are restricted by higher tariff the Cooey Company, Canada's only manufacturer of firearms, will have to cease operations.

The coke application comes from a company, located in Essex County, close to the Ontario border, and is based upon the fact that a cheap supply of this raw material could be obtained from a large producer at Detroit. There is now a tariff against United States coke of $1 per ton but this is waived where the fuel is used for various metallurgical purposes. The applicants desire the manufacture of soda ash to be included in this special category.

In the stoneware tableware application it is contended that this class of pottery is produced only in Great Britain and that the existing duty of 22½ per cent is in no sense protective.

Example of Salt Cake

About the only other important domestic case to be heard by the board to date concerns the tariff on salt cake. An application for a reduction in duty is under consideration and in Tariff Board circles this case is assuming a minor but unique importance. It is believed that the Tariff Board is becoming increasingly impressed with the effect of the tariff not upon consumers but upon manufacturing industries. The first acquaintance with this phase of the tariff occurred, it is believed, when the board began the task of comparing costs of production in the woollen case. But the salt application is cited as an interesting one from this standpoint.

Salt cake is used by many manufacturing industries as a raw material. One of these is the newsprint industry. There are others of equal importance. Salt cake used to carry a very low rate of duty but as part of the Ottawa agreements duties were enacted as follows; Preferential ½ cent per lb.; intermediate and general 3/5 cents per lb. This works out at $10 and $12 per ton. It is learned that the evidence disclosed that these duties are sufficiently high to prevent imports of any volume either from Britain or foreign countries. There is only one salt cake plant in Canada and it is located in Saskatchewan. It is argued that this new duty bears onerously upon newsprint and other manufacturers. The case of the newsprint producers of the maritime provinces is cited. These producers could, ordinarily, import salt cake from Britain or the continent at a price of from $3 to $4 per ton, but as a result of the tariff they must ship it from Saskatchewan at a cost of more than $10 per ton. This increase in their cost of production places them at a disadvantage in competing in foreign newsprint markets and they desire a reduction in the tariff. Under the Ottawa agreements it would be possible, without lessening existing spreads, to place salt cake on the preferential free list and foreign production at a rate of $2 per ton.

Survey Boots and Shoes

In preparation for the enquiry, under the Anglo-Canadian Treaty, into the British Preferential Tariff on boots and shoes, the Tariff Board last week made a survey of several plants in Ontario. This survey was undertaken not only to gather data upon Canadian boot and shoe production but to familiarize members of the board with the industry.

The first hearing in this enquiry will be held in the near future. A delegation representing the British boot and shoe industry will sail for Canada within a few days.

The application which comes from the British producers declares that the existing tariff is higher than is necessary to equalize production costs as between the two countries and that, therefore, under the Anglo-Canadian trade treaty a tariff reduction is in order. The present tariff is 25 per cent.

Accept U. K. Figures

While preparing for the boot and shoe enquiry, the Tariff Board is believed to have made an important decision with respect to the woollen case which was heard in the last week of September. It had been commonly understood that the board had decided not to accept the cost figures put in by the British woollen delegation. These figures were held, by the Canadian woollen producers, to be unreliable and unsuitable as a basis of comparison with the figures put in by the Canadian mills. For a time, it is understood, the board inclined to agree with the Canadian mills and serious consideration was given to a proposal to engage auditors, send them to Great Britain to make a special investigation into British woollen costs. This proposal, however, has been abandoned. The Tariff Board, it is learned officially, will accept the British figures and will draft a report to the government based on the evidence now before it.

The work of drafting this report involves making a comparison between British and Canadian costs of scores of woollen textiles. It is proving a much more difficult job than was at first supposed and the probabilities are that the report will not be in the hands of the government in time for action next session. The board had hoped to complete the report by mid-January.

Difficulties Complex

It is pointed out that the moment a fair basis of comparison is reached on one article, the board arrives at a conclusion as to what the change in the tariff should be. But this article is the raw material of some other manufacturer and the proposed change in duty upsets, completely, the production cost figures placed before the board in the original hearings. These cost figures were based upon existing tariffs and the moment the board disturbs one tariff item, all the cost figures covering articles which are manufactured, in whole or in part, out of the article which has been dealt with are disorganized.

As the board goes into the vast mass of detail involved in writing a report, the difficulties become more and more complex. For this reason an early decision by the Tariff Board is regarded as out of the question.

NEW INNOVATIONS OFFICE MACHINES SEEN AT DISPLAY

Labor-Saving Devices Set New Level for Utility

Canadian Business Equipment Manufacturers' third annual show, held during the week ended December 2 in the College Street store of The T. Eaton Co., Toronto, makes a definite contribution to modern business. On display at the show are the latest labor-saving and money-saving devices so that in the course of an hour or so, the user or prospective user can have demonstrated to him almost every type of machine invented for office use.

Probably nothing impresses the visitor more than the advances in design and utility of the more common types of machines, such as typewriters, adding machines, cash registers, etc. Even although there is little radically new in these machines, their smoother working and better appearance make older models seem positively antique. In addition, new inventions solve problems besetting office managers and others responsible for large quantities of routine work.

Attractive Form Letters

For example difficulty of matching direct typing with impressions from a duplicating machine is one of the problems besetting sales and advertising managers in the use of direct mail sales' appeals. Not only does the mixture of fresh type in the name and address and duplicator type in the body matter spoil the appearance of a letter, but it undoubtedly brands it as a circular and reduces the probability of it being read.

Again, there is a new sales-letter writer, a product of the International Business Machines Corporation known as the "Electromatic Automatic Letter Writer." Folders describing this machine explain its operation as follows:

"You simply place a perforated master roll in position, press a button and the machine automatically reproduces as many duplicates of a business letter as are desired. As names and addresses are typed by the same machine which performs the automatic operation, no shabby, unmatched copies or smudged and form-letter-appearing duplicates spoil the appearance."

Another new development, which was shown for the first time in Canada, is the Powers "Four" accounting machine designed especially for small businesses which do not require the larger models. This machine has the further appeal in that it is British made, a feature for which one does not usually look in business equipment. The Powers equipment employs the punch card system and is manufactured by the Accounting & Tabulating Machine Corp. of Croydon, Eng.

"Models assembled to your own personal requirements," might well be the slogan of the National Cash Register Co. From the lowly retail store cash register to the more complicated cheque writing and tabulating machines, every model can be easily adapted to suit the individual requirements of different businesses. For example, the cheque writing machine not only produces a typed and signed document but can list the amounts included in the total whether they be for payroll purposes, dividends or payments for goods received. Different locked records of total transactions of the machine for both internal and external auditors are features of the machine which appeal as useful developments.

Although nothing absolutely new in typewriters is being shown by Underwood, Remington Rand or Burrough's the difference between the models on show and those in daily use in the average office is very noticeable. Concentration on reduction of noise and on ease of touch combined with greater compactness and body lines in the modern manner have resulted in machines in keeping with the general move toward more attractive office equipment.

Dictaphones have taken their place over the past few years in the first of essential office equipment and the newest models further strengthened that position. Improvements have been mainly confined to minor mechanical changes, of which greatly increase efficiency. Dictaphone models are now being built completely enclosed with cabinet for cylinders and can be obtained in a variety of finishes to match office furniture.

Printing Made Easy

Perhaps job printing houses will not be favorably disposed toward the New Gestetener duplicating machines but undoubtedly controllers of direct-mail advertising will welcome the latest addition to this company's line. Mailing pieces with attractive picture reproductions can be produced as well as the usual type of sales letters. Machines are powered by electric motors which operate on either A.C. or D.C. current.

Other developments which reduce printing costs for firms which use a large amount of direct-by-mail matter have been involved by the Addressograph-Multigraph of Canada, Ltd. A new model of the Set-O-Type, which automatically set type from a typewriter keyboard, is being shown this year for the first time. Several new models have selective features which enable the operator to skip or include any desired classification.

W. E. Fleming Organizes New Stock Firm in London

W. E. Fleming has opened a new stock brokerage firm in London, Ont., with wire connections with Jenks, Gwynne & Co., members of the New York and other stock exchanges. Mr. Fleming was with the Bank of Toronto for 17 years, and has been in the brokerage business in London since 1929.

Associated with Fleming & Co. are Roderick Johnston and Andrew Adams, the former having been in the stock brokerage business in London with Mr. Fleming for several years.

BRUCK SILK MILLS REPLACE COMMON ON DIVIDEND BASIS

Statement for 1933 Fiscal Year to Show Marked Improvement

From Our Own Correspondent

MONTREAL.—Bruck Silk Mills is among the first of Canadian industrial enterprises to resume dividend payments on its common stock. On May 15, 1930, the shareholders received their last dividend cheque. On January 15 next they will again receive a dividend amounting to 25 cents a share. It is not stated whether or not this dividend is quarterly or interim.

In its fiscal year ended October 31, 1929, Bruck Silk reported earnings of $2.80 on its common stock. Next year there was a small deficit, while for 1931 and 1932 the amount earned averaged 14 cents a share.

Financial statement for the 1933 fiscal year will be out early this month. From statements made during the year by the president, I. Bruck, it is expected that both the income account and balance sheet will show a material improvement over that reported in the previous year.

Operations at Capacity

Operations have been at or near capacity for many months past. In the first nine months of the fiscal year sales were up 42 per cent in value over those of the corresponding period of the previous twelve months. In the last quarter it is said that sales registered an even greater increase.

Finances have been greatly helped by the better prices. In the past two years the company found it necessary to make provision for considerable write-offs out of profits due to the fall in commodity prices. In the last 12 months inventory values have scored a wide appreciation due to the advance in the commodity market.

J. R. French Treasurer of Verdun

J. R. French, superintendent of branches for Banque Provinciale du Canada, has been appointed treasurer of Verdun, Que. Mr. French is to take over his new position as soon as the necessary arrangements can be made with the bank.

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NAVY CUT
Philip Morris & Co. Limited
NAVY CUT
VIRGINIA
CIGARETTES

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And I found the Cigarette just as pleasing as the package. Fresh—mild—cool. Each Cigarette firmly rolled. They're just right for me. And the best of it is they don't cost any more than other cigarettes.

P38

PREMIUM CARDS IN EVERY PACKAGE 10 FOR 10¢ 25 FOR 25¢

SAVE

.. Repairs

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by specifying

Nickel Alloy Steel and Nickel Cast Iron

In the interests of sound economy you will be wise to review your own specifications, and carefully inspect the specifications submitted by manufacturers with an eye to the savings which can be effected by the use of Nickel Alloy Steels and Nickel Cast Iron.

Equipment and parts of Nickel Alloy Steel or Nickel Cast Iron invariably have greater strength. They provide greater resistance to wear and breakage. They reduce repair and replacement costs and costly shut-downs. The weight of machinery and parts can be substantially reduced by the use of these quality materials, thus effecting decided savings in transportation costs.

Nickel ALLOY STEEL PERFORMS BETTER LONGER

Information regarding Nickel alloys and the way they can assist you in solving your own particular problems will be gladly sent on request.

Nickel CAST IRON PERFORMS BETTER LONGER

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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PUBLIC WORKS AND EMPLOYMENT IN CANADA

In Which the Arguments in Favor of Large-Scale Programmes of Public Works in Canada to Take Men Off Dole and Put Them to Work, and to Start Business Wheels Spinning Again, Are Examined

Statesmen are back where they were in 1929. When the devastating economic crisis first intruded upon the stage where the New Era was being played to an enthusiastic audience it was not recognized as a villain of might and staying power.

So governments were told and politicians believed that the State could invoke a few simple measures to revive prosperity again. Hence the Hoover sunshine conferences; hence those new buildings, roads, swimming baths, bridges, etc., that we built in Canada.

Our First Attempts to Stem Tide

Governments shouldered the tasks of protecting the national economy; of guarding the social well-being of the individual; and of consciously promoting recovery. The task proved bigger than most people expected. Gradually governmental policy in nearly every country was perforce narrowed down to the simple objective of keeping the country together and the people's stomachs full and their morale up.

Now that the economic pressure has lifted somewhat and the road to recovery seems clearer than it was two years ago, the role of Positive Restorer is again being urged upon governments.

The challenge to governments to lead their countries and the world at large out of the woods of depression and into the sunlight of Recovery (the new word for Prosperity) consists chiefly of insistent arguments, made by social reformers, idle contractors, jobless workmen and academic economists alike, that large-scale programmes of public works should be initiated, first to get families off the morale-vitiating dole, by giving work and wages rather than direct relief, and secondly to give the wheel of economic recovery the primary push that will enable it to start spinning.

This is a many-sided problem, this question of public works and prosperity. Searchlights will be thrown upon these many sides in this article, which is an effort by The Financial Post to discuss frankly and fairly the question of public works and employment.

* * *

The problem will be dealt with under these headings:

1. The scope of the unemployment problem and the relief problem.
2. The argument for State public works programmes.
3. Canada's depression experience and our present governmental policies.
4. Britain's policy.
5. United States policy.
6. The cessation of construction.
7. The work to be done in Canada.
8. Present costs of construction and the labor side of the question.
9. The problems of interest rates and of financing State programmes.
10. The investors' interest.
11. Is private enterprise the real solution?

We turn to phase one; the problem we have to face in Canada.

The Unemployment Problem

The far-reaching significance of Canada's unemployment problem—not only at the present time but also in what might be described as "normal" times—is indicated by recent studies which have made the important discovery that in the decade from 1921 to 1931 the average rate of unemployment among Canadian wage-earners ranged between 10 and 11 per cent of our total "employables."

A few years ago it would have seemed unthinkable to the average Canadian that even in ordinary business weather, 10 wage-earners out of every 100 may normally expect to be unemployed during the year. This ratio is extremely high when compared to the pre-war experience of countries such as the United States and Great Britain. Recent British experience, however, would indicate that since the war there has been a marked change in the ratio of unemployment to total wage-earners.

700,000 Now Out of Jobs

Until conditions in Canada become more settled it is probable that the ratio of the past decade will continue, due particularly to the acute seasonal problems which surround our leading industries.

Since the construction industry is of a highly seasonal nature in Canada and since it gives direct employment, normally, to 6.5 per cent of our working population, it is obvious that its effect both directly and indirectly on the national economy, is very far-reaching.

No accurate figures are available in Canada concerning total unemployment except those computed as at the time of our decennial census. These figures showed that on June 1, 1931, there were 472,000 wage-earners not at work of which 393,000 or 15 per cent of total wage-earners were classed as "unemployed." A rough estimate bringing this figure up to date would probably indicate a total unemployment in Canada during October, 1933, of somewhere in the neighborhood of 700,000 wage-earners.

The Relief Problem

By January, 1934, it will be necessary for the earning population of Canada, through governments, municipalities and other agencies to extend relief to 1,500,000 people, or 15 per cent of the entire population, according to an estimate carefully worked out by the Canadian Council of Child and Family Welfare. That will entail an expenditure of at least $7,500,000 monthly through the winter, the highest expenditure yet made in Canada for relief purposes, except in March and April last, and this heavy load makes it most urgent that the money shall be spent in the most economical manner to secure the best possible results from a national standpoint.

The situation has been growing rapidly worse for two years. There is comfort to be drawn from the fact that there was some improvement in 1933 during the summer months, when improvement is naturally to be expected, and from the further fact that the rate of increase during the coming winter is much less than the rate of increase last winter. The following table shows the situation graphically:

Period	No. on Relief	Cost Per Month
August, 1931 ..	*200,000	**$1,300,000
August, 1932 ..	730,000	$2,903,392
February, 1933	1,395,961	$6,230,200
August, 1933 ..	1,110,000	$6,100,000
January, 1934	**1,500,000	**$7,500,000

* From 190,000 to 200,000. **Estimated.

March and April totals in 1933 were as large as the minimum estimate for January, 1934.

Simple as a Mountain

It will be seen, therefore, that the problem is as easily seen as a mountain. The difficulty is in scaling it. The average monthly expenditure for each individual on relief is placed at about $6.50 monthly. The totals shown above are from $4 to $5 monthly for each person on relief, because of part-time relief only being necessary in some cases. The tendency is rather for the amount expended per person to climb than to drop because as the time of unemployment goes on it eats up more and more of resources accumulated in times of employment.

Problem Grows

From April to September there was a constant downward trend in numbers of persons on relief. This was more than the seasonal fluctuations of the early summers of 1931 and 1932 and it continued longer into the autumn. The decrease in some districts amounted to 25 per cent and in some to only two or three per cent. In Ottawa there was even an increase because of heavy migration from the rural areas.

While a certain movement off relief is reported, the movement on to relief is still proceeding in serious proportions.

Heaviest Winter Ahead

Summing it up, Canadian Council foresees a relief load and cost from late November onward to April, anywhere from 15 to 25 per cent higher than in the corresponding period in 1932-1933, which itself was 90 to 115 per cent higher than in the preceding winter. There were relief works expenditures in 1931 which kept the totals lower than otherwise they might have been. In Montreal, Toronto, Ottawa, Hamilton, Winnipeg and Vancouver—Canada's six largest industrialized cities—19 per cent of the population was on direct relief in August, an increase of 37 per cent in a year, or 50 per cent if the single men in relief camps and the men on relief work are included. Montreal has the largest problem, with 30 per cent of the population on relief or relief works. Smaller cities have 16 per cent on relief. Saskatchewan grasshoppers halted an excellent chance at comeback and 30,000 rural families will be on relief.

Cash Dole Favored

Experiments, as we shall see, have been made on this continent with unemployment work projects, then work for relief and now direct relief "in kind." Most trained social workers feel that events are leading irresistibly to the issuance of minimum cash grants. Much criticism has been launched against "the dole" of Great Britain but—granted the emergency—social workers are claiming more and more the dole is workable and more economical than distribution of relief supplies if it is accompanied by supervision and safeguards to separate the irresponsible and inefficient from the trustworthy and responsible.

Place of Public Works

The arguments for public construction projects in order to give employment are strong from the point of view of the welfare of the unemployed themselves. Working for what is received prevents the corroding influence of long-continued idleness, keeps minds and muscles healthfully employed and gives the state something for what is given to the men.

The Case for Public Works

Many are the arguments advanced for the inauguration of large-scale public works programmes by governments in Canada. In the ultimate analysis, this means by the Dominion Government, in co-operation with provinces and municipalities, but with the major share of the administrative and financial load carried by the Dominion.

Some of the arguments are fantastical or extraneous; the others boil down to two:

1. It is better to pay men wages for creative work than to pay them a direct relief dole. In this connection "better" means, variously, "more economical" or "socially more useful."

2. It is imperative for governments to start the ball of investment in capital goods rolling because the economic crisis is in a deadlock, due to the unwillingness or inability of private enterprise to make capital investments.

First, let us take the second argument. It has become widely popular because such famous economists as J. M. Keynes, Sir Arthur Salter and Sir Josiah Stamp have advocated it in Great Britain. The British government hasn't seen fit to start a big works programme, but capital industries are nevertheless reviving. Works programmes are being tried in the United States, but are so intermingled with novel economic experiments that the outcome is deemed uncertain.

Government Action

Keynesian arguments are based largely on the belief that increased expenditure is necessary to promote recovery. If the general public spent more of its existing income, it would be beneficial, but would be of comparatively small effect; something larger is wanted. Therefore, let governments make outlays on useful public works. This, it is contended, would increase the national income and tax revenue, allowing part payment for works. Also revenue from the works, in theory at least, would help pay for them.

The reason that capital works are stressed is that it is the collapse of the construction, machinery and other capital industries which is considered chiefly responsible for the depression. We must eat, chew and be clothed. But we have refrained from new investment in capital goods, such as roads, bridges and buildings.

Credit Activity is Base

But this theory goes deeper than just the construction of new works and means of paying for them from resultant revenue. One of the basic ideas is to get credit into action. It is widely agreed that a rise of prices would be desirable throughout the world. Some claim that increased use of credit would bring this result among others. But where ample credit has been available on favorable terms the problem has been to get good borrowers to use it. Private enterprise will not borrow, it is acknowledged, unless there is an incentive to do so. The public works scheme is partly devised to start a demand for credit. Sir Arthur Salter described the proposed public works as being intended chiefly to bring about a marriage between cheap credit and sound demand for it. Or, in other words, the idea is to create a demand for credit as well as a demand for goods, the two being interlocked.

This entire Keynesian scheme does not fit our circumstances. Some cardinal necessities to the success of this works plan are lacking here.

Necessities Lacking

The first necessity, according to Mr. Keynes, is that bank credit should be cheap and abundant. Its abundance in Canada is not denied by authoritative students of banking. Its cheapness is. Our money rates are still higher than in many parts of the world.

The second necessity is that long-term loans should be available cheaply to all responsible borrowers. Decidedly this condition does not exist in Canada, where moratoria and lack of loans from abroad have kept rates up.

The third stage necessary in promoting loan expenditures for public works is for governments to take action because private enterprise will not do so until profits are more certain. And lastly loan expenditures on public works must be started throughout the world.

Sir Arthur Salter and Sir Josiah Stamp have both pointed out that public works programmes should only be undertaken by governments which have kept their budgets in balance, have the necessary credit at the right rates. Practically none of the essentials, therefore, exist in Canada. And in carrying unbalanced budgets for some time, Canadian governments have already been spending the substance of what might have been used for public works. The Dominion falls in the category of countries described by Mr. Keynes as "weaker debtor countries" whose credit facilities must be widened by one means or another before they can reasonably undertake large works programmes. So far, Canada has not been able to widen its facilities to the desired extent.

Moral Argument

The argument that it is better to pay wages than a relief dole is approved by many Canadians. A letter recently written to The Financial Post is a typical expression of viewpoint:

> "More creative thought is needed to save the unemployed from 'rotting' while on relief. . . . Here lies a great field of usefulness to intelligent, public-spirited people in every community to help the unemployed think out or devise public or private projects which, while not 'profitable' in a business sense, are nevertheless socially useful."

Governments in this country have tried and are still trying to relieve the unemployment situation by capital expenditures. But, in viewing this as largely a social problem, there is the danger that is constantly evident in political affairs that too much consideration may be given to the proportion of capital outlay expended for labor instead of to the usefulness of the proposed work.

Result of Outlays

Sometimes, also, the point of public works programmes is missed by the advocates of wages instead of the dole. It is argued that public works confer benefits not only on the initial recipients of wages and payment for materials, but on those with whom the recipients deal, and so on to a much larger circle. But in the same way outlays on direct relief spread to merchants, farmers and artisans. And the cost is less to the Government and taxpayers than the cost of works.

The argument for works plans, however, is that they would tend to give an impetus to a different class of industries than the dole. Dole money goes chiefly for consumer goods, food, fuel, clothing. Money spent on capital works would go for both consumer goods by the wage route, and for capital goods through steel, machinery and construction activity. It is to get this impetus into capital goods, through financing, leading to more borrowing by private enterprise, and possibly to higher prices, that the learned economists advocate public works.

It is recognized that no great depression ever ended without a resumption of capital investment.

Our Experience and Policy

Present unemployment relief policies of the federal, provincial and municipal governments are the recult of three years experience. The original objective, deemed essential by all governments and all parties, was to keep the unemployed at work. The slogan was: "Work; no dole." Largely because of the public works policies originally adopted, with this objective in view, the total cost of unemployment to Canadian governments is now estimated at Ottawa at approximately $300,000,000. This includes federal advances of $50,000,000 odd to the western provinces, but these advances were unavoidable if these provincial governments were to find the money necessary to carry out their share of the cost of the relief works programmes. On relief works alone there has been expended some $160,000,000, to use a round figure, and the only reason it is not much larger is that the various governments abandoned public works as a solution to unemployment in the spring of 1932.

Our First Programme

When the Bennett Government met parliament in September, 1930, it was the view of the cabinet that unemployment was a temporary problem and $20,000,000 was voted to initiate a public works programme. It was believed that by the time this programme was completed, trade would have recovered sufficiently to bring the number of jobless back to normal.

With the $20,000,000 in hand, an unemployment branch of the labor department was organized and agreements between the provinces and the Dominion were entered into. Ottawa abstained from entering into direct relations with municipalities. Each province was held responsible for its territory and the municipalities dealt with their provinial authorities.

Plan of Campaign

The broad policy of 1930 was this: The relief works were to absorb most of the unemployed and the balance would be given direct relief. Ottawa undertook to pay 25 per cent of municipal works, the balance to be divided between the provinces and the municipalities. Ottawa undertook to pay 50 per cent of all purely provincial works, excepting provincial highways. Ottawa undertook to pay 40 per cent of the cost of highways and 50 per cent of the cost of new links in the Trans-Canada highway. With regard to direct relief, Ottawa agreed to pay one-third, the balance to be divided between the provinces and the municipalities. Other works assisted out of this original vote of $20,000,000, were the federal grade crossing fund, railway capital expenditures and the collieries of Nova Scotia.

When all the figures were in, the total money expended by all governments and industries was $80,836,635, of which the vast bulk, $70,472,832, was for public works.

The 1931 Programme

In 1931 a new statute was enacted. The former policy was carried forward except that the railways and the coal operators did not come in. The total expenditures ran to $92,000,000 in round figures, of which slightly more than $80,000,000 went for public works.

This 1931 policy continued in force until the late spring of 1932. Before framing a new policy, the Federal Government decided to summon a federal-provincial conference. This was done and, surveying the enormous outlays made on public works in the preceding two years, it was decided unanimously to abandon the policy. During the summer months the problem was met by direct relief but in the autumn a modified works programme was embarked on. But the old faith in providing unemployed with full time, full paid jobs was not restored. The Federal Government organized a back-to-the-land movement, providing jointly with the provinces and the municipalities a capital sum, for each family, equivalent to what would be paid in direct relief over the period of one year. In addition, work camps for single men were organized. These camps were located at strategic points and the work undertaken included roads in National Parks, landing fields on the eastern half of the trans-Canada airways, repairs to historic sites, reforestation and so forth. The men were given food, clothing and shelter and were paid the modest sum of $5 per month.

Cost of Last Year

Over $1,000,000 was spent in the first winter of these camps and larger expenditures will be made this winter. Because of the slowness with which accounts are presented to Ottawa by the provinces, it is not possible to state precisely the total cost of the relief policy in force in the fiscal year ending March 31, last. But it is estimated that the cost to Ottawa will be about $25,000,000. This is a cut of nearly $20,000,000 compared with the previous year. The cost to the provinces and the municipalities would swell this total to nearly $60,000,000. And of the grand total scarcely more than $12,000,000 would go for public works.

Urge Public Works

In the last few months, however, there has been a renewed interest in public works as a means of coping with unemployment. The Unemployment Relief Act of 1933 gives authority to the Federal Government to include works in its national programme. But this has been done, it is learned, only in the central provinces and the terms upon which Ottawa is assisting the provinces are more conservative than was formerly the case. Instead of paying one-quarter or more of the capital cost, Ottawa assists only in paying the wage bill. And this assistance is restricted to road construction. No other type of public works is favored. On ordinary highway, Ottawa contributes at the rate of 50 cents per man day, which is less than a fifth of the ordinary rate of pay. On the trans-Canada highway the federal contribution is 60 cents per man day.

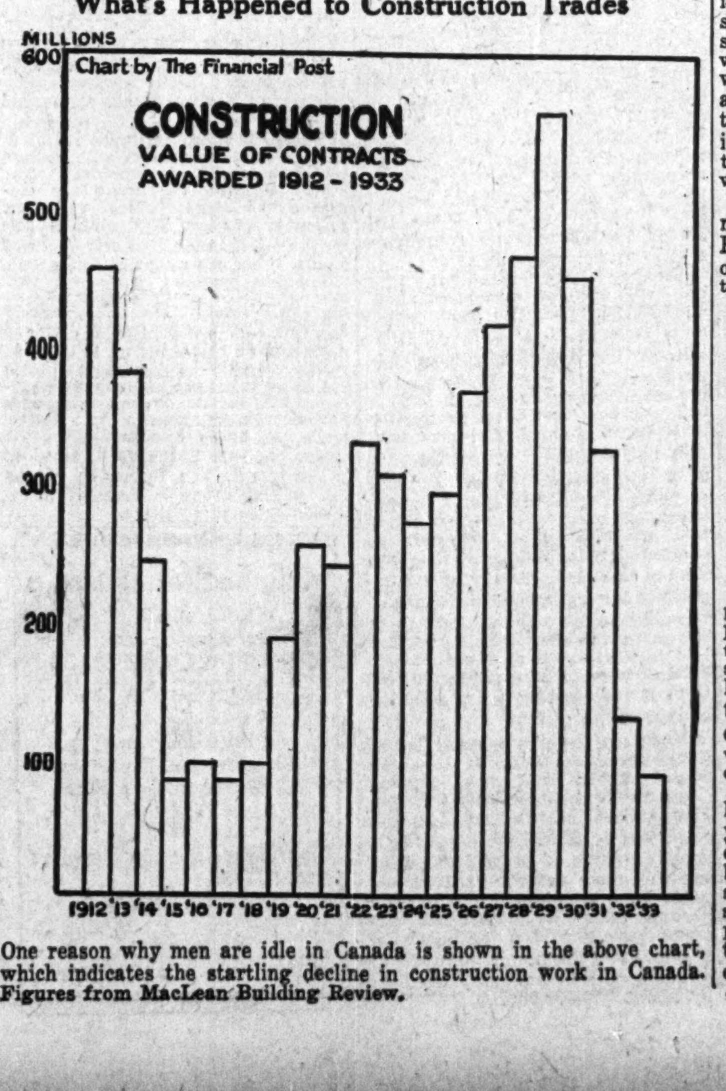
Cost and Policies

To sum up: Total expenditures on unemployment relief from September, 1930, to March 31 last, were $232,000,000, of which $162,000,000 was spent on relief works, mostly in the first two years.

Relief policies now in operation are:

1. Direct relief.
2. Construction camps where men are paid $5 per month.
3. Farm settlement achieved by the capitalization of relief payments.
4. Road construction with the Dominion contributing a share of the wage cost.

What's Happened to Construction Trades



One reason why men are idle in Canada is shown in the above chart, which indicates the startling decline in construction work in Canada. Figures from MacLean Building Review.

Government Leaders' Views On Public Works

Rt. Hon. R. B. Bennett, Prime Minister, in radio broadcast on November 20:

"The Government is seriously considering embarking on an extensive programme of public works ... Limited public works have been undertaken...I will now speak very frankly...We are charged with being over-cautious but when you consider that we in Canada, due to our geographical position and our large external debt, are subject to the play of large monetary forces, I think you will agree that we cannot slight any influence.

"Canada is midway between the countries of the sterling group and the dollar group. Unhappily it is impossible to harmonize the monetary policies of them.

"In dealing with one country alone we in the past ten years increased our borrowings by hundreds of millions of dollars and have continuously accumulated against us adverse trade balances ranging from $190,000,000 in 1926 to $348,000,000 in 1929. These adverse trade balances have recently been steadily diminishing and have in the ten months of this calendar year been reduced to less than $23,000,000. The effect of our trade movement and our borrowings on this continent is that we are caught in the network of international transactions until the return of normal conditions.

"...You cannot, in a country that has for generations made itself commercially interdependent, separate your price structure from the rest of the world with whom you are trading. At the World Economic Conference I urged with all my power the importance of raising the world level of wholesale prices and increasing trade credits by governmental initiative and by construction of public works.

"The normal way of raising prices is by restoring confidence to the owners of capital and employer...Certainly to put dollars into the pockets of those who do not possess them and more dollars into the pockets of those who do is the primary purpose of those who seek to increase the purchasing power of the community. But if we are to act on the suggestion, so often made to us in good faith, and endeavor to accomplish this purpose by destroying the value of those dollars already in existence we should be guilty of committing this country to a policy of economic ruin.

"I may properly urge you who have capital available to turn it into productive use because you have at your command the power necessary to put productive machinery into action by increasing purchasing power.

"I am often asked what the Government is going to do on similar lines. May I remind you that the Government only has money as it receives it from those who contribute it to the country or those who lend.

"...The Government should not deal lightly with its constitutional power to issue currency. The position we have maintained during the depression is sufficiently sound to enable us to take immediate advantage of that more enduring confidence which will come when world exchanges are stabilized. The same forces over which the World Conference could exercise no control made stabilization impossible last summer and now make it impossible, or at any rate in our judgment unwise, to embark on large public spending policies. The sound policy just now is to assist the provinces and to provide for work camps but to delay large expenditures.

"While at the moment it is difficult to forecast with any degree of assurance what the future will be, the steady improvement of the last few months, in our opinion, warrants the view that we may be able, with the return of spring, to undertake a reasonable policy of public works in every province of the Dominion that will substantially assist in stimulating private enterprise and increase purchasing power, provide employment and hasten the return to prosperity."

* * *

Hon. E. N. Rhodes, Minister of Finance, in address in Toronto on November 22:

"In normal times governmental expenditures should be cut to the bone. But in one normal year in Canada Governments spent $280,000,000 on public works. This was 35 to 40 per cent of all the expenditure on public and private construction.

"We could control in a marked degree, if not entirely eliminate, future depressions if we were to withhold expenditures on works in prosperous times and build up a reserve of such works to be carried on in times of depression. If we reduced public works expenditures in good times by only 25 per cent that would mean, in a term of five years, some $350,000,000 being placed in reserve.

"At a time like the present, when Governments should be spending most to give employment, they are forced to economize.

"Government money is not a thing apart. It rests upon the incomes and wages of the people."

England and the United States

British statesmen have repeatedly stated that public works as a cure for unemployment have failed in England. Last February, Rt. Hon. Neville Chamberlain, Chancellor of the Exchequer, said: "It is the deliberate opinion of the government that that policy has failed. We must have done with it once and for all."

Not Adverse to Planning

Mr. Chamberlain said the government would not dissent from the idea that if you can plan your schemes for a certain time ahead, so that you would carry out more when times were depressed and less when times were piping it would be a better distribution. Since the war the government had been anticipating and accelerating work but had to a great extent exhausted the works which could be accelerated.

Then in July, at the World Economic Conference, Rt. Hon. Walter Runciman trod heavily on the whole of the propaganda for public works to promote recovery. Said he:

> "We have in recent years devoted £1,000,000,000 pounds to schemes of this kind. . . . For every million sterling expended we have employed 2,000 men directly and 2,000 men indirectly.
>
> "It is unduly expensive and it is an experiment which we are not going to repeat. We have terminated our scheme for dealing with the unemployed by way of capital expenditure works and we shall not reopen these schemes no matter what may be done elsewhere."

Runciman's View

Parliament discussed the Runciman speech. The president of the Board of Trade then added one or two other points. The main consideration, he said, about floating loans for capital works was that these loans had to be repaid. Another point was that public works were the most expensive way of dealing with the unemployed.

Finally he anounced triumphantly that the Labor Government's ten years of public spending has cost over £240,000,000; the largest number of people employed in the scheme was 114,000. (During the same period the number of unemployed rose by 1,600,000.) Yet since the beginning of the year, because of improvements to business generally and the initiative provided by private enterprise, some 500,000 people have gone back to work.

In the United States, Congress has approximately $3,300,000,000 to be spent on various public works. The Secretary of the Interior, Harold M. Ickes, has been appointed a virtual dictator to spend this money. Some projects are under way. Delay in getting the money into circulation has been due chiefly to Mr. Ickes' insistence that adequate protection be provided against graft and waste. There have been other problems, notably regarding wages. The Public Works Authority sets a minimum wage of 50 cents an hour. Some of the municipal authorities charged with initiating various projects refuse to authorize such high wages.

The basic philosophy of public works expenditures in the United States is as follows:

1. The country is indulging in credit inflation on a huge scale. The credit inflation must be made to "take." Quantity of credit without velocity is ineffective. So the government will put money into circulation by spending on public works.

2. Men must be put to work, and taken off relief. When normal economic processes fail, the government must assume the responsibility. Public works programmes see to that.

3. The job is expensive but the country is meeting an emergency greater than war. Having spent $25,000,000,000 on the war, the country should be willing to spend at least as much to end the depression.

4. No depression has ever been ended without a programme of investment in capital or durable capital goods—bridges, railways, homes, buildings, machinery, etc. Two things are essential before such investments will be made by private capital enterprise. First and foremost, confidence in the immediate future and a prospect of a profit on the investment. Second, a willingness of investors to put up the money. Neither of these conditions have been satisfied, Washington feels. There is no general confidence. The private capital market has been destroyed. The government therefore must put up the capital.

There is hardly space here to do more than refer to some pertinent points. The N. R. A., for instance, has virtually forbidden industries to expand their equipment. The Securities Act and tampering with the dollar has driven private capital into hiding. The more the government attempts to substitute for private capital and enterprise the more it drives private capital and enterprise out of the picture.

Loans in Addition

The potential expenditure of $3,300,000,000 on public works is only the beginning of the programme. The Reconstruction Finance Corporation, as chore boy for the government, is lending enormous sums to railways, home builders and others to finance various investments in capital goods.

The United States is finding its programme an almost overwhelming job. The Administration apparently considers as of secondary importance at this juncture the question of how the debts are ultimately to be repaid. Instead of being paid they may be largely extinguished by inflationary cheapening of the dollar.

The Severe Decline of Construction

No better evidence of the current low level of the construction industry can be obtained than by a comparison of values of construction for the current year and similar figures for 1929. For example, construction contracts awarded this year will amount to approximately $97,000,000, monthly totals compiled by Maclean Building Review would indicate, while the corresponding figure for 1929 was almost $577,000,000, or almost six times greater. These figures include residential, business and industrial buildings and engineering construction for which contracts have actually been let or construction started.

Building permits awarded by 61 of the leading cities in Canada are collected by the Dominion Bureau of Statistics. Of the available returns for 1933, The Financial Post estimates that the total for this year will be not more than $25,000,000 as compared with almost $235,000,000 in the peak year of 1929.

All Types Suffer

MacLean Building Review figures are segregated according to types of construction. Comparison of group totals for 1929 and 1933 show that the reduction in activity has been fairly well distributed throughout all types of construction. Thus, construction contracts awarded for the first ten months of 1933 show that residential contracts are 82 per cent less than the same period of 1929. Business and industrial contracts are 86 per cent less and engineering contracts are 84 per cent less. During 1931 and 1932, engineering contracts, in which are included almost all government works such as roads, sewers, bridges, etc., made up a larger proportion of total contracts than in either the boom year of 1929 or the current year.

On the basis of figures for work actually undertaken, it is generally estimated that the activity of the construction industry is approximately 12 per cent of capacity. However, the large decline in construction costs since 1929 would incline to make this figure slightly higher so that 15 per cent of capacity can be taken as approximately correct.

October Advance

October, 1933, saw the first real advance in construction contracts awarded, the total for the month being over $15,000,000. Residential, business, and industrial building showed good advances from the previous month and, in fact, from any month in 1933. Engineering contracts, however, were lower than in any of the three previous months.

Compared with a year ago, residential building has held up better than any of the other three types during 1933. In the first ten months of 1933, the total for residential building contracts awarded was only 20 per cent less than in the same period of 1933, while business and industrial building was 26.5 per cent less and engineering construction 45 per cent less. The large decline in engineering construction is, of course, due to the supplanting of relief work construction projects with direct relief. At the present time, however, there is apparent a move back to relief construction projects.

Tables showing contracts awarded and building permits issued follow;

Construction Contracts Awarded in Canada
(In Thousands of Dollars)

	1929	1932	1933
Jan.	41,963	12,738	3,362
Feb.	28,426	14,803	3,149
Mar.	27,125	10,767	3,192
Apr.	43,328	10,113	8,609
May	64,860	14,186	6,514
June	72,420	12,155	8,026
July	57,941	12,540	12,652
Aug.	58,622	12,689	9,480
Sept.	46,959	9,647	8,387
Oct.	57,084	8,876	15,014
Nov.	45,375	10,170	......
Dec.	32,549	4,190	......
Total, 12 mos.	576,652	132,874	*97.000

*Estimated by The Financial Post.

Building Permits Issued by 61 Leading Cities
(In Thousands of Dollars)

	1929	1932	1933
Jan.	8,417	2,762	1,164
Feb.	10,465	2,579	907
Mar.	24,068	3,324	935
Apr.	29,657	4,237	1,552
May	24,186	5,290	2,003
June	27,817	4,388	2,536
July	22,703	4,227	2,082
Aug.	21,582	3,331	1,928
Sept.	17,117	2,203	2,033
Oct.	18,073	3,056	......
Nov.	16,171	2,505	......
Dec.	14,689	1,481	......
Year	234,945	39,383	*25,000

The other phases of the discussion will be concluded in an early issue.

Grain and Milling in Canada

Wheat

From Our Grain Correspondent

Russia Exporting

WINNIPEG.—Russia shipped 1,400,000 bushels of wheat last week. Trade opinion overseas is still to the effect that Russia really has no export wheat to spare this year, without creating the likelihood of supply difficulties later in the year. There are suggestions that the wheat export policy of the Government is related as much to international political questions as to the desire to obtain credits against grain exports, the total quantity of which cannot be large, because of the low basic price of wheat, made still lower on Russian wheat both by the existence of the British duty and the poor quality. The increase in Russian shipments is compensated to some extent by small shipments from Danubian countries. The Danubian corn crop has turned out badly, a fact which may be reflected in lessened ability to export wheat this year.

It has been suggested that the volume of Russian exports has been deliberately augmented just prior to another meeting of the international wheat committee at London, as Russia is anxious to maintain her theoretical right to a large share of the international market. Another problem likely to come before that committee is the desire of the Argentine to have her quota under the wheat agreement enlarged, as her crop seems likely to be larger than was anticipated when the agreement was made. But that is essentially a question, not for the whole committee, but for discussion with Australia, Canada and the United States. It might be logical for the United States to accept a reduction in her quota, which that country is only able to fill by subsidizing exports, but nothing has appeared to suggest that the Government of the United States would entertain such an idea just now.

* * *

Italy Needs Durum Wheat

ANNOUNCEMENT last week that Italy had attained self-sufficiency in the supply of wheat, and intended to exclude all imports, seems to have been more of an expression of gratification at the large wheat crop harvested in Italy than an indication of a change in policy. For some years it has been the proclaimed intention of the Italian Government to have sufficient wheat grown in the country to supply home needs, instead of importing up to 90,000,000 bushels annually, as has been the case in former years. While there has been very little increase of acreage in Italy, a good deal seems to have been accomplished to increase yields by more intensive cultivation, and by seed selection, but extraordinarily favorable weather this year seems also to have been an important factor.

Although the total quantity of wheat produced this year, almost 300,000,000 bushels, is approximately equal to Italy's total needs, there appears to be a surplus of soft wheat, and a deficiency of Durum wheat, required for macaroni manufacture,. Apparently such wheat is still to be allowed in, provided that its import is balanced by the export of an equivalent quantity of native wheat. It is doubtful, however, if an outlet can be found for surplus soft wheat, and some modification of existing regulations may yet be found necessary if the supply of macaroni, the favorite food of southern Italy, is to be maintained.

This is of importance to the Durum wheat growers of Manitoba, who have enjoyed lately an excellent market in Italy for their product, nearly all of which goes to that country. The United States used also to supply some Durum wheat to Italy, a source of supply now cut off, not only by the maintenance of prices in the United States higher than world levels, but also by an extremely small production of Durum wheat in 1933.

* * *

Maple Leaf Management Good

THE Northwestern Miller's Canadian correspondent, referring to the election of D. C. MacLachlan to the board of Maple Leaf Milling Co., says that this is a recognition of the quality of service rendered by Mr. MacLachlan since he became general manager over two years ago. In the interval he has piloted the company through the most difficult period ever experienced by Canadian flour mills and has built up an organization that is notable for its loyalty. He has won for himself the respect and friendship of every competitor in the business, says the article.

"With a new financial set-up and reasonable improvement in general business conditions, the Maple Leaf Milling Co. should have no difficulty in getting back into a state of prosperity," concludes the article.

This is an encouraging view for bondholders and shareholders at a time when directors propose to suggest a recasting of the capital structure. This view is recapitulated here because it is an expression of opinion by one who has passed the best part of his business life in writing about and dealing with the flour milling industry.

SEE LITTLE HOPE FOR ACREAGE CUTS IN UNITED STATES

Guaranteed Reductions Will be Offset by Other Increases

From Our Own Correspondent

WINNIPEG. — Some small quantities of corn are being exported from the United States just now, so the price of corn in that country may be said to be governed to some extent by fluctuations in the exchange value of the dollar. Drought in South Africa has turned that country from an exporter to an importer, while low production and poor quality will prevent normal supplies from being exported from Roumania. The outlook for the Argentine corn crop is not considered good, and this taken in conjunction with the small production of the United States makes the available world supply less than normal. Nevertheless the announced determination of the Government to achieve higher corn prices is making little headway in the United States.

Money is being poured out in the corn belt states just now in payment to farmers who agree to cut their corn acreage next year. But farmers are also agreeing to cut the production of pigs, and low prices for cattle are bringing about a reduction in feeding operations. Thus the demand for corn threatens to be reduced before any reduction of supplies is brought about, a year from now, by reduced corn plantings next spring.

Cannot Trust Reports

Market comment from the south is much confused by uncertainties about currency developments, and published statements as to what farmers are doing, or likely to do, seem frequently to be tinged with propaganda. But there appears to be widespread feeling that reduction of acreage paid for, whether in corn or wheat land, will be offset to a large extent by increased planting of corn and wheat by farmers who do not sign contracts. Not only may farmers who cut down on corn grow more wheat, and farmers who cut down on wheat more corn, but plantings of both grains may be increased in the cotton states, where cotton acreage has been reduced. The hundreds of millions of dollars which are being distributed to farmers as payments to refrain from production, and by way of loans, are said to be providing capital for larger production than might be possible without such payments.

Corn belt farmers are offered Government loans on corn in sealed cribs on their farms at the rate of 45 cents a bushel, decidedly more than present market value. But this has not induced a belief on the part of farmers in higher prices, and they are still selling corn in as large quantities as the market will absorb at current prices.

U. S. Imports Rye

Rye continues to be imported to the United States over the prevailing duty of 15 cents a bushel. That the duty will be increased is taken for granted, but whether it will be done by executive order, in which case the increase could only be to 22½ cents a bushel, or whether action will be delayed until Congress meets, when a higher tariff could be applied, is a matter of uncertainty, and of alternating rumor. But some observers see an obstacle in the fact that the United States recently urged European wheat importing countries to agree to reduce wheat duties, and the Government might put itself in a peculiar position by endeavoring to shut out rye imports. To whatever extent rye is turned to distillers' use at the present time, a corresponding reduction will be accomplished in the surplus bread grain stocks of the world.

European Wheat Crop Believed All-time Record

Revision in production estimates in Europe during the past month have increased the total of 1933 production in that area, according to Dominion Bureau of Statistics. It now appears that Europe has harvested a wheat crop of between 1,640,000,000 and 1,650,000,000 bus. as compared with 1,480,000,000 bus. produced in 1932. Upward revisions in crop estimates have been made in the case of Austria, Bulgaria, Hungary, Latvia, Lithuania, Roumania and Yugoslavia. According to current estimates production in the Danubian countries is even larger than thought earlier in the season. The 1933 wheat harvest in Europe constitutes an all-time record.

A slight reduction in the estimate of the Canadian crop further reduces the volume of 1933 production in North America. Total production in 1933 is over 400 million bushels less than production in 1932.

Tentative estimates of 1933 production in the Argentine and Australia indicate a decrease of about 80,000,000 bus. as compared with last year.

Produce Fish Meal

Four of the fish reduction plants on the West Coast of Vancouver Island; namely, at Nootka, Ecoole, Kildonan and CeePeecee, are preparing to reduce herring and while they do not anticipate much oil will be produced, they hope the fish meal tonnage will be considerable. Salt fish will also be reduced in this area to a limited extent this season.

Winnipeg Grain Prices

Week to November 28

Crop year from Aug. 1, 1933 High	Low		Open Nov. 22	High for week	Low for week	Close Nov. 28
		Wheat				
.68⅝	.54⅝	November	..	.64½	.60	.60
.90⅞	.54⅛	December	.64⅝	.64⅝	.58⅞	.58⅞
.95	.59¼	May	.68¼	.68⅝	.63¼	.63¼
.70½	.64½	July	.69½	.69½	.64½	.64½
		Oats				
.32¼	.28	November	..	.30	.28	.28
.45⅝	.26	December	.30⅝	.30⅝	.28	.28¼
.48½	.29½	May	.33⅞	.34	.31½	.31⅝
.36¼	.32½	July	.34½	.34⅝	.32½	.32⅝
		Barley				
.36⅞	.31¼	November	..	.35¼	.32	.32
.56⅞	.29¼	December	.34½	.34⅞	.31⅞	.32
.59⅝	.32½	May	.37⅞	.38¼	.35⅝	.35½
.41	.36⅝	July	.38¾	.39⅛	.36⅝	.36½
		Flax				
1.45¼	1.32	November	1.42¼	1.42¼	1.32	1.32
1.63½	1.11	December	..	1.41⅞	1.32	1.32
1.71½	1.15	May	1.47	1.48	1.39¼	1.39½
1.48⅝	1.39½	July	1.48⅝	1.48⅝	1.39½	1.40½
		Rye				
.50½	.38¼	November	..	.43⅞	.38⅝	.38⅝
.64½	.37	December	.44⅝	.44⅞	.38½	.38½
.68½	.39½	May	.48¾	.48⅞	.43	.43
.80⅛	.44⅛	July	.49⅞	.49⅞	.44⅛	.44⅛

Prairie Premiers Discuss Acreage Reduction Plans

Saskatchewan Favors Delivery Restrictions—Alberta Clouded by Political Unrest—Manitoba Feels It Has Done Its Bit by Developing Mixed Farming

From Our Own Correspondent

WINNIPEG.—A meeting of representatives of the three Prairie Governments was held in Calgary on November 29 to discuss possible action toward restriction of western wheat acreage next year, in view of the limitations on Canada's exports of wheat arising out of the London wheat agreement, and difficulties of the present situation. Premier Brownlee is to represent Alberta, Premier Bracken, Manitoba, and Provincial Treasurer McPherson, Saskatchewan.

Whatever is done, or not done, toward enforcing any cut in wheat acreage, the provincial Governments will apparently have to take responsibility. Mr. Bennett seems to have made it clear by his public utterances that the Dominion Government, in agreeing to restrict Canada's exports, in return for concessions made by other countries, was carrying out a policy desired by the western Governments. Both on that account, and for constitutional reasons, if legal restrictions on acreage are to follow as a natural result, they will have to be imposed by provincial action. Equally, if the decision is that no legal measures are necessary, it will be the provinces that will have to make that decision.

Governments Committed

Each of the three Governments are committed, not only to support of the agreement, but to the principle that western wheat acreage should be reduced. If there were not in prospect for next year a considerable natural reduction in acreage in Western Canada the Governments could hardly avoid an attempt to bring about a reduction. But the actual situation makes it quite possible for them to decide that the natural reduction is likely to be quite as large as is required. If not, two other measures are in their hands without resorting to legal restrictions. One is to cut down the advances of seed wheat to farmers unable to supply their own seed, and to encourage instead the growing of feed and fodder crops. The other is by way of general appeal to farmers to make a voluntary reduction in their wheat seeding.

It is by no means sure that any one of the three provincial premiers could get his legislature to endorse any measures for legal restriction of acreage, no matter to what extent he had previously committed himself. The local provincial member is quite as much concerned over his own chances for re-election by his constituency as he is about the fate or the prestige of his Government. Premier Bracken is at present perhaps the strongest of the three premiers with his own legislature, but the Manitoba members are likely to pay a good deal of attention to the attitude of the recent convention of the U. F. M., to the effect that whatever might be required in the other provinces, Manitoba farmers, by developing mixed farming had already done their share toward any required wheat reduction.

C. C. F. Influence Waning

In Saskatchewan a provincial election is impending. The legislature has been very evenly divided, with the Liberal opposition nearly equal in numbers to the combined Conservative and Independent supporters of the Government. Up until very recently the C. C. F. was thought to be gaining in political strength in Saskatchewan, so that it might control the next Legislature. But now, rightly or wrongly, the C. C. F. is regarded as just another big bad wolf that no one is afraid of.

Acreage restriction and other items of a "managed economy" would have fitted right into the C. C. F. ideas and to some politicians formerly seemed attractive on that account. Now C. C. F. endorsation does not seem so attractive as formerly, and fighting that organization instead of yielding to it seems more attractive. In Alberta, the U. F. A. which has sponsored the present Government, has gone C. C. F., but the members of the legislature have not done so, and there is growing doubt as to the ability of the U. F. A. to control the next election.

Want Delivery Quota

The Saskatchewan Pool organization has come out in favor of a quota of wheat deliveries for every farm, and want a wheat board appointed which would have both the responsibility of selling all the country's wheat and of working out and enforcing such a plan. The troubles of administering such a plan are probably greater in Saskatchewan than elsewhere, because one part of the province has had a succession of crop failures, and another has had a succession of fairly good, and some excellent crops. It seems highly unlikely that the Dominion Government could be induced to foster a scheme of this sort, and equally unlikely that it could be got through the Legislature if the details first had to be worked out and explained there.

Premier Brownlee is known to be an advocate of the appointment of a wheat board, but there is no indication that the Saskatchewan Pool plan finds much favor in Alberta. The latter province remained cold to the idea of a compulsory pool, when the agitation for that measure was at its height in Saskatchewan.

WHEAT EXPORTS SHOW DECLINE FROM 1932 LEVEL

Demand Smaller From Europe But Argentina Ships More

The wheat supply position has undergone little change during the past month, according to the Dominion Bureau of Statistics. Production estimates have been revised in many countries. Preliminary estimates of 1933 production in several European countries have been revised upward. At the present time it would appear that the total European wheat crop amounts to about 1,645,000,000 bus. as compared with 1,480,000,000 bus. last year. The chief increases in estimates have taken place in the Danubian countries. Estimates of production in the importing countries of Europe have not been changed to any extent. Large crops in France, Germany, Italy, Greece, The Netherlands and other importing areas are limiting the volume of world trade in wheat during the present crop year.

Harvest time is approaching in the Argentine and Australia. Several estimates have been issued covering the 1933 Australian wheat crop. These estimates range from 150 to 165,000,000 bus. The Commonwealth Government has officially estimated the production of 165,000,000 bus. Last year Australia produced 210,000,000 bus. of wheat. It is apparent that the present Australian crop is far short of the 1932 crop

No Official Estimate

The Argentine wheat crop has not been officially estimated. After a long dry spell early in the growing season, the Argentine received generous rains, and the condition of the crop improved greatly. At the present time the outlook is favorable for production of 200,000,000 bus., and if existing conditions continue the 1933 production may exceed this volume. It is likely, however, that the prolonged early-season drought will be reflected to a certain extent at harvest time.

When 1933 production in Canada and the United States is considered along with prospective production in Australia and the Argentine, it is apparent that the total outturn in the four countries is the smallest in years. It is certain that reduced production in the United States will enable that country to materially reduce year-end stocks by the end of the crop year and some reduction in the Canadian carry-over is probable.

Importers to Take Less

Exceedingly large crops in importing countries are tending to restrict the demand for wheat during the present crop year. From August 1, 1933, to November 20, 1933, world shipments of wheat and wheat flour amounted to 161,000,000 bus. as compared with shipments of 173,000,000 bus. during the same period last year. Argentine exports have been relatively heavy since the commencement of the present cereal year, amounting to 32,000,000 bus. compared with 12,000,000 bus. during the same period in 1932-33. In spite of reports of a good crop in Russia, exports from this source have been on about the same scale as last year and have been of minor importance. A sharp reduction has taken place in the movement from North America this season as compared with last. Since August 1, shipments from North America have amounted to 74,000,000 bus. as compared with 110,000,000 bus. during the corresponding period last year. North American shipments have consisted largely of Canadian wheat. Increased shipments from the Argentine and the Danubian countries along with a smaller demand, account for the decrease in exports from North America.

In spite of increased production this year the United Kingdom continues to import in large volume. During the three months from August to October inclusive British imports totalled 54,000,000 bus. as compared with 52,000,000 bus. during the same months last year.

GAIN IN PRICE TENDS TO OFFSET LOWER OUTPUT

Wheat Crop For 1933 Down 39.5 p.c. From 1932; Price is Up 29.5 p.c.

Average price for No. 1 Northern wheat in Winnipeg was 66.7 cents per bushel in the 89 trading days between August 1 and November 20, according to the Dominion Bureau of Statistics. In the corresponding period of 1932 average price was 51.5 cents per bushel. This increase of 15.2 cents per bushel in the average represents a gain of 29.5 per cent.

Final revised figures of the 1932 crop will indicate a yield of about 450,000,000 bus. The 1933 wheat crop is estimated at 272,000,000 bus. or 178,000,000 bus. less than production last year. These figures indicate that production in 1933 is 39,5 per cent less than production last year, and as pointed out above, this shrinkage in production has been accompanied by an increase in price of 29.5 per cent. On the basis of existing crop estimates and prices to date this year as compared with last year, it is apparent that increased prices compensate for a considerable share of the decrease in total production of wheat in Canada. The difference in the total value of the 1932 and 1933 crops will be cosiderably less than the difference in production estimates indicate.

Higher prices are being reflected in the increased value of Canadian wheat exports this year. During August, September and October, 1932, Canadian wheat exports amounted to 85,356,484 bus. with a declared value of $47,360,209. During the same months of 1933 exports have amounted to 51,624,531 bushels valued at $37,416,511. Exports have declined by about 34 million bushels but the value of wheat exported has only declined by about $10,000,000.

GATINEAU POWER REVENUE LARGER THIRD QUARTER

Large Surplus Carried Forward After Providing for All Charges

From Our Own Correspondent

MONTREAL. — Gatineau Power and subsidiary companies report consolidated operating income of $2,336,283 during the third quarter of this year, compared with $2,274,917 for the same period last year.

Balance added to surplus after all charges in the past quarter was $529,490 or nearly $73,000 greater than in the three months ended September, 1932. From the income figures below, it is noted that the company did not redeem any securities between July and September this year. Interest payments on the first mortgage bonds, prior liens and debentures, were lower, indicating a reduction in funded debt.

Larger Surplus Forward

Details of the income account for the third quarter of 1933 and 1932 follow:

Quarter Ended Sept. 30:	1933	1932
Oper. rev. & other inc.	$2,336,283	$2,274,917
Loss on exchange	29,435	50,977
Profit on secs. red. ..	......	500
Gr. revenue	2,306,848	2,224,440
Net revenue	2,021,132	1,939,540
Int on bonds & liens .	881,251	885,571
Balance	1,139,881	1,053,969
Int. on debent.	272,280	277,266
Other int., amort. of disc., div. on pref. stk. of sub.	177,000	173,038
Depr. and amort. ...	161,111	147,017
Bal. to surplus	529,490	456,648

Revenue Is Higher

During the year ended September 30 last, consolidated revenue was $9,393,841. This compares with $9,203,914 in the previous year. Net revenue before interest and depreciation totalled $8,229,809 compared with $8,363,907. This was equivalent to 2 1/3 times interest on the company's first mortgage bonds and prior liens. After taking care of this charge the balance was more than 4½ times interest on the 6 per cent debentures of the company.

Comparative consolidated earnings for the 12 months ended September 30, 1933 and 1932, follow:

Twelve Months ended Sept. 30:	1933	1932
Oper. rev. & other inc.	$9,393,841	$9,203,914
Profit on exchange ..	......	317,754
Loss on exchange	247,611	......
Profit on secs. red. ..	265,087	107,923
Gross revenue	9,411,317	9,629,591
Net revenue	8,229,809	8,363,907
Int. on bonds & liens	3,527,986	3,545,302
Balance	4,701,823	4,818,605
Int. on debent.	1,098,331	1,117,731
Other int., amort. of disc., div. on pref. stk. of sub.	685,475	701,539
Depr. & amort.	667,841	683,514
Balance to surplus ..	2,250,176	2,415,821

Since July 1, 1932, there has been a loss on exchange due to necessity of purchasing at a premium a portion of the United States funds required for payment of interest and sinking funds.

CANADIAN CAR OMITS DIVIDEND SENIOR STOCK

Limited Prospects for New Business Necessitates Action

From Our Own Correspondent

MONTREAL.—Directors of Canadian Car and Foundry Co. have deferred dividend action on the company's preferred stock, of which $7,080,750 is outstanding. This action occasioned some surprise as, while it was known that the company had a limited volume of business on its books, it was thought that the cash position would enable the company to continue to make payments until it was possible to sum up prospects for 1934.

During the fiscal year ended September 30 last the company operated at a level of about 10 per cent of the average annual business since the company's commencement of operations in 1909, but if present prospects materialize, operations might be stepped up during the current year to around 35 per cent, according to a statement made by W. W. Butler, president of the company.

Last year the company had a loss of $853,307. In addition $498,286 was paid out in preference dividends, bringing the deficit up to $1,351,593. In the two previous years the company had net losses aggregating about $2,000,000.

In consequence of the excess of payments over income, the strong liquid position shown in the 1929 and 1930 balance sheets has been appreciably weakened. It is now necessary to conserve cash resources in order to take care of the company's requirements until such time as there is a pick up in railway buying.

B. C. Hardware Firm Sells Buying Group

McLennan, McFeely & Prior Ltd., wholesale and retail hardware distributor of Vancouver, has announced the formation of a new buying group of some 100 retail hardware stores in British Columbia which will operate under the trade name "Sunset." The stores entering the group are old-established stores which will now follow one policy. The retail department of McLennan, McFeely & Prior Ltd. will become a unit of this group.

Publicly financed early in 1928 through the issue of 6½ per cent first preferred stock, McLennan, McFeely & Prior Ltd. has continued dividend payments on this issue up to date. At the end of 1932 the company had total assets of $3,041,980 and a good working capital position. Formerly dependent in large degree upon the builders' trade and heavy hardware lines, the company's earnings have declined in recent years. The formation of the new buying group is expected to increase sales to retailers.

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Large Supplies Create Dullness On Wheat Mart

From Our Own Correspondent

WINNIPEG.—The wheat market has lately shown extreme dullness, with lack of buying either from overseas importers or traders on this side. Meeting of the International Wheat Committee at London, with renewed emphasis on large world supplies, seems to have been a cause of additional weakness. Buyers are hesitant both because of the exchange situation and a desire to be sure of the probable out-turn of the Argentine crop.

Private advices suggest that the crop there may be decidedly smaller than has recently been suggested, but these are not confirmed by official statements, which still suggest that the export surplus produced may exceed 160,000,000 bushels, or 45,000,000 bushels more than the quantity allotted under the London agreement. There is still the possibility of a good deal of damage before the crop is completely made.

World shipments last week were 9,700,000 bushels, of which North America supplied nearly 5,700,000. Shipments from the southern hemisphere were very small. Wheat on passage to Europe has decreased to slightly over 25,000,000 bushels, nearly 13,000,000 bushels less than at this time last year. Business out of Vancouver has been small since the beginning of this crop year, but with shipments out of Montreal at an end exporters there are hopeful of a fair movement from this time on. The price differential between Winnipeg and Vancouver has narrowed, but prices at the latter point are still slightly below the Winnipeg basis.

B. C. ORGANIZES MUNICIPAL DEPT. FACES IMPASSE

A. W. Gray, R. Baird Head New Bureau to Deal With Financing

From Our Own Correspondent

VANCOUVER.—One of the innovations of the Pattullo administration in British Columbia is the creation of a provincial department of municipalities under A. Wells Gray, minister of lands.

Mr. Gray was for many years mayor of New Westminster, and a veteran leader of the Union of British Columbia Municipalities. His deputy will be Robert Baird, long inspector of municipalities.

Relationship of the provincial government and B. C. municipalities has been a matter of growing importance and concern ever since the government decided that it would have to reduce drastically the municipalities' customary share of liquor profits, pari-mutuel revenue and other grants, which had been used for hospital, education and other maintenance expenditures.

Hard on Treasury

The provincial treasury may be dealt a severe blow when prohibition ends in the United States unless the federal authorities decide to reduce the excise tax on liquor. A revision downward in liquor prices may be needed unless there is to be wholesale bootlegging from the United States, and in any event the income from the liquor traffic may be curtailed. How will the province be able to increase its allotment of liquor profits to the municipalities under such conditions? That is one of the problems Mr. Gray will face.

Mr. Gray has also contended that the municipalities, as a result of the cut in provincial grants, have been carrying the whole burden of unemployment in British Columbia. He warned the previous government that unless the municipalities were given greater financial aid many of them would be forced into bankruptcy.

To meet the situation the province appears to face one or more of the following courses: 1. Further drastic curtailment of government services. 2. Increased provincial taxation. 3. More aid from the federal government.

At this juncture it appears that the new Pattullo administration will look to the Dominion for support in meeting the acute situation. If the province could be free of the unemployment burden, the problem would be much easier, and when Premier Pattullo goes East soon after Christmas he will try to persuade Ottawa that unemployment should be treated as a national, not a sectional, matter. Just as the municipalities are looking to the province for aid, so is the province looking to Ottawa in the present emergency.

Meanwhile, the government is awaiting the report of the special commission appointed some time ago to investigate financial relations between the province and the municipalities.

Quebec Timber Cut To Show Big Increase

From Our Own Correspondent

MONTREAL.—Quebec Gold Mining Corp. has made application for the listing of its shares on the Montreal Curb Market. In its application the company states that a development campaign has been followed during the past year in the various fields in which the corporation's properties are located. It has also become associated with Big Missouri Mines Corp., in connection with the further exploration and development of the Big Missouri Mines of British Columbia, which is now progressing under the direction of Consolidated Mining and Smelting Co.

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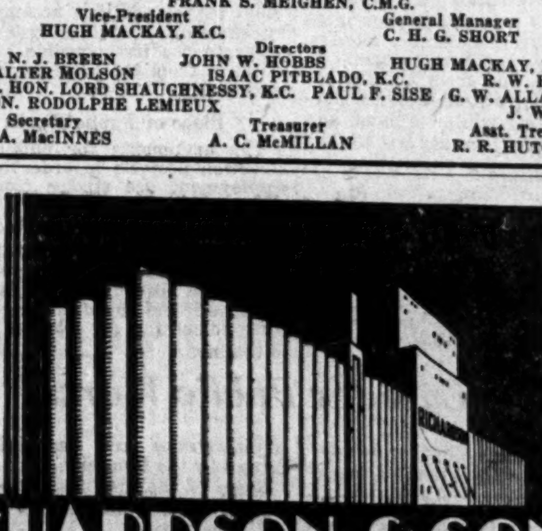

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Investors Entitled to Expect Protection from Company Law

Basic Weaknesses in Dominion's Legislation Make Position of Shareholders Unsatisfactory

By C. A. ASHLEY

The question of a uniform Companies Act, to take the place of the ten acts we now have in Canada, has again come to the front. All that is possible should be done to prevent the lowering of the standard to conform with the poorest of the acts, for they are all in need of being strengthened. The self-satisfaction of the Department of State at Ottawa is particularly difficult to understand, for the Dominion Companies Act is an outrageous piece of legislation, far more likely to provoke disreputable finance than to prevent it. Even when the act appears to offer some protection to investors its effects are largely nullified by new methods ignored by the act.

Prospectuses

In earlier times a limited company used to issue its shares direct to the public on the basis of a prospectus, and the Dominion Act rightly provides that such a prospectus shall disclose certain information, and that it shall be filed with the Secretary of State. In modern times, however, it has become an almost invariable practice for companies to sell their shares to investment houses, who resell them to the public. The investment houses publish prospectuses which are in no way governed by the act, although the need for protection of the public is at least as great.

A company can now acquire assets from promoters without disclosing any information as to the real value of those assets compared with the price the public is asked to pay for them. This resulted during the last boom in a wholesale watering of capital throughout Canadian industry, and in the enrichment of financial houses at the expense of the shareholders.

Should Be Strengthened

The Companies Act should obviously be amended to bring into operation its real intention, insisting on some minimum of protection of investors against fraudulent promoters. Had this amendment been made seven years ago, Canada would now be in a much healthier financial condition. The further point arises that it is, apparently, the business of no one to see that companies making issues direct to the public actually satisfy the requirements of the act. One of the latest issues of shares by a Dominion company was made on the basis of a prospectus that was not filed with the Secretary of State, and that did not give the information required by the act.

No Par Shares

The Dominion Act provides that a company may not issue its shares at a discount and this is a sound and necessary protection of the interests of those already holding shares. When the act was amended to allow of the issue of shares without par value, no provision was made to continue this protection, and in many companies directors now have the power to issue shares at a price which causes the value of all previously issued shares to fall, without the consent or knowledge of shareholders. The issue of shares at a price which, in fact, involves a discount would not be so dangerous or unjust if all new issues were offered to existing shareholders. It is possible that shareholders still have a right at common law to take up new shares in proportion to their present holdings, but if so, it is infrequently exercised, and should be reinforced by a specific provision in the Companies Act.

Distributable Surplus

The amount paid for an issue of no par shares can be divided by the directors into capital and distributable surplus, in whatever proportion they wish. The act states that no dividends shall be paid out of the capital of a company, but the amendment allowing the issue of no par shares, by giving the directors the power to determine the amount of the capital, allows them to pay dividends, even on other classes of shares, out of the proceeds of a sale of no par shares. In this way directors can pay dividends on preference shares that they hold out of the funds provided by subscribers to common shares, and can give an appearance of prosperity to a company when it is actually operating at a loss.

It is hard to imagine any act that, by a general invitation to dishonesty, would be so likely to undermine the integrity of promoters and directors. When this amendment was under discussion at Ottawa, it was frankly supported by the argument that, because some of the companies acts in the United States were loose, we could ill afford not to follow them.

Voting Rights

It was considered, in the past, that those who owned shares, and therefore ran risks of loss of interest and of principal, should have control over their property. It was realized that this control could be exercised only by the majority, but what was good for the majority had some likelihood of being good for the company as a whole. Shares are now issued carrying with them no rights of voting on questions of management; the whole of the voting power may be retained in the hands of a small number of shareholders of a special class, and there is nothing to prevent the management aiming exclusively to benefit that special class. The powers given to directors may allow of the almost total diversion of profits away from non-voting shareholders. The most elementary justice would require that all shares should carry voting rights.

It is idle to argue that shareholders need not buy shares of this kind unless they wish. There is a minimum protection to which they should be entitled under the act, without having to acquire and study the by-laws of all the companies whose shares appear on the market. The act does not even make provision for the supplying of by-laws on demand to shareholders, and no mention is made of prospective shareholders.

Share Dealings by Directors

It is not as commonly recognized as it should be by directors and others that the information that becomes available to them through occupying a position as trustees of the interests of shareholders, should not be used for their personal profit, or to the detriment of the shareholders. Directors are allowed to buy and sell shares in their companies quite freely, and there is always a temptation for them to take advantage of their special knowledge of conditions and prospects. Except in very bad cases it would be difficult to prove fraud, and merely to prohibit directors from dealing in shares of the company they manage would result in an extension of the objectionable custom of carrying through transactions in the names of dummies, or of forming private companies for the purpose.

Special information as to prospects is only one of the advantages held by a director; cases are not unknown of directors issuing misleading or false information in order to manipulate share prices. Perhaps the only remedy here is for very large penalties to be inflicted whenever a director is proved to have gambled in shares of a company in which he holds a fiduciary position.

Holding Companies

Practically nothing has been done to attempt to deal with the problems raised by the creation of complicated groups of companies owning shares in each other. This new form of organization has added tremendously to the power of directors to divert profits from the general body of shareholders into their own pockets, and to their power of disposing of the assets of a company to their personal profit. In addition there is much greater scope for the manipulation of the market value of the different shares. Few people understand the accounts of these companies, and there is no way in which an accurate view of the financial position of a company within a group can be shown. Many holding companies publish only a "consolidated" balance sheet, which fails to satisfy the requirements of the Companies Act, but no official action is taken.

A further point is that the accumulation of influence and wealth in these groups has resulted in a great increase in the opportunity of corruption of civil servants and employees of other businesses. No complete solution of the problem is yet in sight, but that is no reason why elementary precautions should not be taken, by amending the act to cause much fuller information being given in the published accounts of holding companies and their subsidiaries.

Shareholders' Remedies

The department of the Secretary of State does not consider it as part of its duty to see that the provisions of the Companies Act are carried out, and unless this is changed, the sooner shareholders become aware of it the better. They must realize that when the act says certain things must be done, the administration will enforce this, in many cases, only on the demand of a shareholder, and that it is in no way bound to enforce penalties mentioned in the act. The very wide distribution of shares of large companies makes it difficult for individual shareholders to organize effective action, and there is a danger that the supporting of a "shareholders' committee" may, at best, result in the replacement of one financial group by another, equally oblivious of the interests of the shareholders. The use of the proxy machinery is largely in the hands of directors. They do not hesitate to use the funds of the company in obtaining proxies, whereas a group of shareholders would find that to appeal for proxies was an expensive matter. Further, it has already been shown how the issue of non-voting shares has closed this method of protection.

Expensive Legal Advisers

All that is left for the shareholder is to examine the meagre information he is allowed, and watch carefully for clear cases of fraud. Even when he and his advisers are satisfied that there is a clear case he remains uncertain as to the probable result of an action in the courts, for the dice are loaded heavily in favor of the directors, who have all the information at their disposal, and may sucessfully show that their actions can be legally justified by special circumstances. An expensive legal action on excellent prima facie grounds may, and probably will fail.

The remedies are a very big increase in penalties for all infractions of the act, and the requirements of the publication of much more information as to the operation and financial condition of companies. It is a dismal fact that the listing requirements of the leading stock exchanges give much better protection to shareholders than does the Dominion Companies Act, which is partly out of date and partly amended in the interests of promoters and directors, and the enforcement of which is nobody's business.

Enquiries

Dominion Bridge

It would be appreciated if you could let us have your opinion on the outlook for Dominion Bridge. Do you think the stock is likely to advance in value in the near future?

Prospects for Dominion Bridge are indefinite just now. As you know, the company's earning power depends on the volume of new building undertaken in the country. Dominion Bridge has excellent facilities to take care of a resumption in construction, but until such time as new works are undertaken, revenues must be necessarily somewhat limited. As a long hold, the stock of this company is favorably regarded. It is out of the question, however, to give a definite opinion on the immediate future of the company.

Beauharnois

Can you tell me when Beauharnois Power Corp. will resume interest payments on its debentures? Do you think the company has any chance of coming back?

There is no immediate prospect of Beauharnois Power Corp. resuming interest payments on its bonds. Present plans are to resume payments in the spring of 1938, by which time income will be sufficiently large to take care of this obligation. Under the recent reorganization, finances of the company have been placed on a sounder basis and with earning power increasing from year to year under the terms of contracts with Ontario Hydro and Montreal Light, Heat and Power Cons., there should be a better price for the company's bonds.

United Grain Bonds

Would you tell me whether it is a good investment to buy some U.G.G. bonds? Apparently they are on the bargain list.

Please give me an idea if there is a chance of them defaulting bond interest.

United Grain Growers sinking fund bonds outstanding total $3,177,500 series A 5 per cent, due 1948 and $651,500 of series B 5½ per cent due 1949. Both bonds have the same security of a first specific mortgage upon fixed assets and by a floating charge upon net current assets.

All interest in the year ended July 31, 1933, was earned 1.58 times before depreciation and .41 times after depreciation. In the preceding year earned interest had been 3.78 times before depreciation and 1.86 times after depreciation and in the year preceding that 3.83 times before depreciation and 2.02 times after depreciation. In the 11 months ended July 31, 1930, there was a loss of $139,714 before either depreciation or bond interest.

One reason for the drop in the earnings in the year ended July 31, 1933, was that in November, 1932, the company was subjected to a reduction of one-third of the usual rate of elevator storage charges by the Board of Grain Commissioners. The old rates have been restored for the current year. The company also carried over a much larger proportion of its grain bought during the year on July 31 than was usual and therefore, a goodly part of the earnings which had accrued on that date did not show on the balance sheet.

The company has apparently had good management through the greater part of its career and has been able to pay dividends on the common stock of $25 par value, ($3,146,850 paid up) ever since 1911 with the single exception of the years 1918 and 1922. It was paid last year even though not earned.

Because of inventories of grain stocks exceeding $8,000,000 bank loans and overdrafts were nearly up to $7,000,000 at the end of its fiscal year. Bank loans will be reduced as grain stocks lessen.

Dominion Royalty

I am a substantial holder of bonds of the Dominion Royalty Corporation Limited and seek advice with regard to the signing of a proxy in favor of Frank N. Bowes, president of the above company.

It is very difficult to speak with exact information with regard to the affairs of the Dominion Royalty Corporation. When the shares of this corporation were being sold by the Mid-Continent Bond Corp., Ltd., and by Mr. Goffatt referred to in Mr. Bowes' letter to bondholders of Dominion Royalty Corp., The Financial Post felt that great chances were taken by those who put up money for this project. Apparently when bondholders and others took charge after stormy meetings they received the support of the majority of security holders on the ground of charges that Mid-Continent Bond Corp., of which Mr. Goffatt was the chief executive, and another of the old directors had unnecessarily loaded the company up with expenses. The Corporation has doubtless been going through bad times since then as it has been a difficult period for all royalty companies. Such a company could not hope to succeed in any case, unless it had most experienced buyers of royalties in regions where the royalties are secured. This company also had an interest in some actual drilling projects.

If the company is in receipt of notice from the trustee under the bond mortgage that it has received a requisition from a number of bondholders demanding that it take steps to enforce the mortgage and that it intends therefore after three months to take possession, it may be right for the directors to call the bondholders generally together to consider the situation and to see whether there is any better way out.

The statement by Mr. Bowes that the company has never had from the first day of its existence assets to anything like the amount of its outstanding capital, nor, in fact, equal to the principal of the outstanding bonds, largely attributable to the excessive commissions and expense charges drawn by Mid-Continent Bond Corporation, as promoter, should have been supported by a financial statement outlining the exact situation. All Mr. Bowes has to say as president must be based on exact information but bondholders would be in a much better position to judge if Mr. Bowes' letter had been accompanied by an actual financial statement showing the position both from the standpoint of assets and liabilities and from the standpoint of receipts and disbursements as well.

It is quite true, as Mr. Bowes says in his letter, that the price of crude oil has been increased in the United States under the oil code. The volume of production has been curtailed, however, still further.

Most companies are worth more as going concerns than they would be after passing under a receivership, but not necessarily. Bondholders might very well at this juncture demand clear enough statements of the exact financial situation and the experience of operation in the last year or two to enable them to decide whether or not it is well to get out of such a speculative business by immediate liquidation through reputable channels or to continue in the hope that operating results would improve.

United Farmers Co-op.

I am holder of four shares of United Farmers Co-operative Co., Ltd., Toronto. Is there a market for these shares, and what are they selling for?

With reference to your four shares of United Farmers Co-operative Company Limited there is no present market for these shares. The market is made through the company itself and as the only purchasers are farmers, the market depends on farmers asking for the stock. At the present time the company reports that farmers have no money available for purchase of shares and, therefore, there is a long waiting list of those who desire to sell. They are inclined to think that in a period of active business when farmers have more purchasing power this situation may be reversed and that, therefore, there is more hope in holding than in trying to sell.

When one looks at the last financial statement of the company, it is evident that the waiting time until dividends may be paid, may be long. The company paid 7 per cent in the high price years of 1916 to 1920 inclusive, dropped dividends in 1921, 1922, 1923 and 1924, paid 3 per cent in 1925 and 1926 and the only other dividend was $1 a share in 1929.

The company's working capital is somewhat low and at the end of 1932 it owed the banks more than $366,000. There is a deficit of nearly $80,000 which has to be made up out of earnings before there can be any thought of dividends. At the end of 1932 there were 70,060 shares outstanding.

There is at present a proposal before the shareholders to change the policy of the company to a purely co-operative business. This received majority support at the last annual meeting but owing to severe criticism and opposition the plan was left over until the next annual meeting. That should be soon.

Phoenix Elevators

I hold stock of Phoenix Elevator Co. Ltd. but have had no report from them for two years. What would you please advise me as to what progress has been made during this time?

Position of Phoenix Elevator Co. is not very strong at the moment. The Financial Post has, however, not been able to get exact figures. Formerly it was the Electric Elevator and Grain Company, which was reorganized in 1930 due to failure to meet bond interest. It has had difficulty in meeting bond interest on the due dates since the time of reorganization and is at present in arrears as well.

The outlook for the stock is, therefore, very dubious.

C. P. & P. Trust

Can you let me have any information as to what progress is being made by Canadian Power and Paper Investments? Is the company paying interest on its debentures?

At present a bondholders' protective committee is working on the affairs of Canadian Power & Paper Investments. We understand that they have been in negotiation with the trustee with a view to working out a plan to put the company on a sounder basis. These negotiations should be concluded shortly and a report issued to the bondholders before the end of the year.

Walkerville Brewery

Will you oblige us with some information regarding the common stock prospects of Walkerville Brewery and Canadian Budweiser? I would like the price range also.

As far as Walkerville Brewery is concerned that stock has just been listed on the Montreal Curb and it will be possible to follow the price situation there. The stock has just been put out so that there is no price range to speak of. The directors are well spoken of.

The prospects of profits for Walkerville Brewery are bound up to a certain extent in the future policy of Ontario. It is expected that a policy of permitting sale of beer and wine in hotels, clubs and restaurants may be adopted at the meeting of the legislature this winter, but even if this is done, there is no assurance as to when sale would go into effect. The company has had quite a long career and reports dividends during part of it to have been considerable. On account of increasing taxation and competition earnings of breweries have been somewhat limited in recent years. This company is not paying dividends at present but hopes by publicity, by pushing its wares and by a change in provincial policy to do better. It is a speculation, depending on these factors. Its products have already a considerable vogue down along the Border Cities and in other parts of Ontario.

Canadian Budweiser has been taken over by Brewing Corporation. There is no market for the shares at present but the corporation reports the situation to have improved somewhat for the subsidiary. In this case again much depends on provincial policy with regard to the sale of beer and wine.

A. J. Freiman Ltd.

I hold some preferred shares of A. J. Freiman Ltd. for which I have been offered other securities. I am told the dividend has been passed on the Freiman preferred but have received no notice from the company to that effect. How has Freiman been doing this year? Does it appear that the company can continue to pay preferred dividends?

A. J. Freiman Ltd. has paid dividends regularly on its 6 per cent preference stock since the initial dividend was paid July 2, 1928. No preferred dividend has been passed. While sales of the company in the current fiscal year have shown no marked improvement, we understand that profit of the company is higher than in 1932 and that the requirements for preferred dividends will be earned by a satisfactory margin before provision for depreciation.

The company does not issue a complete statement of earnings but the balance sheet as at January 31, 1933, showed a sound financial position. Since that date there has apparently been no developments that would injure the position of the preferred shares. While these shares are listed on the Montreal Curb market there is very little market for the stock. We are informed that there is no stock offered for sale at the present time but that there is a strong bid for the stock around $55 per share. It is quite possible that this bid might come from the company.

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

Hockey Score Racket

WITH the National Hockey League getting under way for the 1933-1934 season a fake lottery scheme has been discovered. Small blue sealed cards are offered for sale at a small price. The cards contain a list of the week's National League hockey games with three teams checked at random. Holders of the three high and three low teams are supposed to get prizes of $35 and $15 respectively. Attention of the police was drawn to the scheme when the woman who held the winning card was unable to collect. The card stated that any disputes would be settled by one of the Toronto daily papers. It was found that this paper had no knowledge of the scheme and had not granted the use of its name.

* * *

Eye "Specialists"

THE Nova Scotia man who had removed from his eye a "cataract" that later turned out to be the inner skin of a soft boiled egg is not the only person to be the victim of fake eye specialists. Police in London, Ont., recall that two eye specialists swindled dozens of Western Ontario farmers several years ago but are now serving prison terms in British Columbia.

Police believe that there is a "college" near Kansas City that trains swindlers in the eye specialist racket and sends its graduates to all parts of the world. The "specialists" go to farmers suffering from eye trouble and offer to cure them with an operation. The farmer pays in advance, the "specialist" pretends to operate. The farmer is shown a substance that is stated to have been taken from the eye and is promised that in a few days his sight will be restored. In this period the "specialist" disappears with the money and later the farmer finds that his eyesight is no better.

* * *

Dr. Bruce Speaks on "Quackery"

DR. HERBERT A. BRUCE, Lieutenant-Governor of Ontario, in delivering a recent address on "Quacks Versus Science" stated, "there is more money made by quacks today and more vast corporations built up on quackery, barefaced and unashamed, than at any other time in the history of medicine." He claimed that no such thing as a "skin food" exists and that the cult of beauty practices is an unending and increasingly bold fraud upon the women of today victimizing them in numerous ways.

Dr. Bruce specifically mentions a number of examples of what he terms the hundred or more types of healing offered today to the public. He mentioned the Alereos system, Autohemic Therapy, Auto-Science, Autotherapy, Couéism, Divine Science, Albert Abrams' Electric Therapy and other systems. Referring to beauty aids, Dr. Bruce said "despite the advertisements it is quite impossible to feed the skin by rubbing in fat or creams of any kind. Nor is cleanliness aided by plastering the surface of the skin with one type of cream after another and then being compelled to wash away the entire mess. There is no such thing as skin food. The skin can be soothed, or made temporarily more pliable by external application, but it cannot be 'fed.' Since the profits of the beauty shops are dependent mainly upon the sale of lotions, creams, shampoos, ointments, depilatories, beauty clays, face packs and other similar preparations, the number of these increases daily. Preparations similar to most of the beauty clays selling at from $2 to $10 a pound may be made by mixing a pound of kaolin or dried beauty clay with the same weight of water. Such a preparation costs 20 cents. What a vast trade has grown out of the desires of Mr. Babbitt's wife and daughters to enhance the physiognomies and figures with which a none too beneficent Providence endowed them."

Contrasting present conditions with conditions of the past, Dr. Bruce went on to say, "both the buildings and the business corporations witness the fact that the modern quack prospers by committing wild buffooneries in the name of science. Until the public wakes up, he will continue to prosper, and he would be the envy of all the quacks of all earlier times were they able to visualize this twentieth century, the golden age of quackery."

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Wainwright West Oil

There are a few things that we would like to have explained about Wainwright West Oil. Our understanding is that some 90 per cent of the outstanding stock in this company has been pooled and a market is being made with the small balance of stock outstanding now that the shares are listed.

Would you advise retention or sale of free stock around present levels of eighty cents?

Wainwright West Oil is the promotion of P. D. Bowlen, who is best remembered for his promotional activities a few years ago in connection with the now defunct Wainwell Oils Ltd. The present company was formed ostensibly for the purpose of developing oil leases in the Wainwright field of Alberta but when this area failed to sustain public interest the scene was shifted to United States oil fields where the company has some producers that are under the prevailing proration programmes.

The capitalization of the company is 1,000,000 shares, of which some 460,000 shares are outstanding. Of these about 250,000 shares are pooled. Whether or not the shares are a sale we cannot say but the prevailing market is substantially higher than the average selling price exclusive of the vendor shares.

Canadian Malartic Gold Mines

Could you supply me with any information in regard to Canadian Malartic Gold Mines in which I am interested?

What financial position is it in?

Has it done any work on the property?

What are its future possibilities?

Canadian Malartic Gold Mines is developing an interesting gold prospect in Fourniere township, about 25 miles each of Noranda Mines in Quebec. Work was resumed this summer when the company was reorganized and operations are in charge of Andrew Walz, a well-known and highly regarded mining engineer. It has been felt by some shareholders that the original work done by Ventures Ltd. was far from conclusive and that the property had a real chance. These shareholders pressed for and secured a reorganization that permitted new finances being supplied. If and when all options on treasury shares are exercised, the company will be provided with $840,000—sufficient funds to bring it into production if and when this is deemed advisable.

The property is responding to the present development programme in a most encouraging manner and those in a position to know regard it highly.

Greater Canada Gold Corp.

I have been solicited to exchange my shares of Lake Maron Gold Mines, which are pooled, for those of Greater Canada Gold Corp. I can not just understand why any one should be interested in shares that are pooled unless they plan to have them released, and as they are listed market them. Will you please give me your advice on the offer?

Whether or not an exchange of Lake Maron shares is desirable for those in Greater Canada Gold Corp., we cannot say from the meagre information available. If your Lake Maron shares are pooled indefinitely, they are worthless to you as far as marketing is concerned. The chief factor to consider is the personnel of the two companies which seem to be inseparably entwined. Arthur Carr, whose name appears as a director of Greater Canada, is best known for his promotional activities over a number of years in connection with Algoma Mining & Finance, which did not achieve a mining success.

Lake Maron shares are listed and traded on the Standard Stock & Mining Exchange and, therefore, a market exists, which is not the case of Greater Canada.

Maple Leaf Mines

I would like to have you give me your opinion of the Maple Leaf Mines as speculation. Has the company any properties that have a chance of becoming mines?

Chief interest in Maple Leaf Mines centres on its recently acquired option on control of the Casey Summit Gold Mines. This property has remained dormant for several years for the lack of financing which Maple Leaf is providing. It is a very interesting property and is known to have an attractive ore showing and it is hoped that as development progresses the ore will be extended It is one of the most attractive properties under develment in the Patricia District and we believe that the money being raised by Maple Leaf Mines is being intelligently expended on the development of the property in an effort to make a mine.

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THE SUN-LANDS OF THE EAST
BALI-INDIA
The ORIENT

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The Mediterranean at the Season's height—India—Penang, gateway to Cambodia and Angkor Wat—Semarang, for the Boroboedoer, Java's most famous Buddhistic remains—BALI, that unspoiled garden of Eden—Japan in Cherry blossom time—days, not hours, in interesting ports.
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Wheat

From Our Grain Correspondent

Russia Exporting

WINNIPEG.—Russia shipped 1,400,000 bushels of wheat last week. Trade opinion overseas is still to the effect that Russia really has no export wheat to spare this year, without creating the likelihood of supply difficulties later in the year. There are suggestions that the wheat export policy of the Government is related as much to international political questions as to the desire to obtain credits against grain exports, the total quantity of which cannot be large, because of the low basic price of wheat, made still lower on Russian wheat both by the existence of the British duty and the poor quality. The increase in Russian shipments is compensated to some extent by small shipments from Danubian countries. The Danubian corn crop has turned out badly, a fact which may be reflected in lessened ability to export wheat this year.

It has been suggested that the volume of Russian exports has been deliberately augmented just prior to another meeting of the international wheat committee at London, as Russia is anxious to maintain her theoretical right to a large share of the international market. Another problem likely to come before that committee is the desire of the Argentine to have her quota under the wheat agreement enlarged, as her crop seems likely to be larger than was anticipated when the agreement was made. But that is essentially a question, not for the whole committee, but for discussion with Australia, Canada and the United States. It might be logical for the United States to accept a reduction in her quota, which that country is only able to fill by subsidizing exports, but nothing has appeared to suggest that the Government of the United States would entertain such an idea just now.

* * *

Italy Needs Durum Wheat

ANNOUNCEMENT last week that Italy had attained self-sufficiency in the supply of wheat, and intended to exclude all imports, seems to have been more of an expression of gratification at the large wheat crop harvested in Italy than an indication of a change in policy. For some years it has been the proclaimed intention of the Italian Government to have sufficient wheat grown in the country to supply home needs, instead of importing up to 90,000,000 bushels annually, as has been the case in former years. While there has been very little increase of acreage in Italy, a good deal seems to have been accomplished to increase yields by more intensive cultivation, and by seed selection, but extraordinarily favorable weather this year seems also to have been an important factor.

Although the total quantity of wheat produced this year, almost 300,000,000 bushels, is approximately equal to Italy's total needs, there appears to be a surplus of soft wheat, and a deficiency of Durum wheat, required for macaroni manufacture. Apparently such wheat is still to be allowed in, provided that its import is balanced by the export of an equivalent quantity of native wheat. It is doubtful, however, if an outlet can be found for surplus soft wheat, and some modification of existing regulations may yet be found necessary if the supply of macaroni, the favorite food of southern Italy, is to be maintained.

This is of importance to the Durum wheat growers of Manitoba, who have enjoyed lately an excellent market in Italy for their product, nearly all of which goes to that country. The United States used also to supply some Durum wheat to Italy, a source of supply now cut off, not only by the maintenance of prices in the United States higher than world levels, but also by an extremely small production of Durum wheat in 1933.

* * *

Maple Leaf Management Good

THE Northwestern Miller's Canadian correspondent, referring to the election of D. C. MacLachlan to the board of Maple Leaf Milling Co., says that this is a recognition of the quality of service rendered by Mr. MacLachlan since he became general manager over two years ago. In the interval he has piloted the company through the most difficult period ever experienced by Canadian flour mills and has built up an organization that is notable for its loyalty. He has won for himself the respect and friendship of every competitor in the business, says the article.

"With a new financial set-up and reasonable improvement in general business conditions, the Maple Leaf Milling Co. should have no difficulty in getting back into a state of prosperity," concludes the article.

This is an encouraging view for bondholders and shareholders at a time when directors propose to suggest a recasting of the capital structure. This view is recapitulated here because it is an expression of opinion by one who has passed the best part of his business life in writing about and dealing with the flour milling industry.

Grain and Milling in Canada

SEE LITTLE HOPE FOR ACREAGE CUTS IN UNITED STATES

Guaranteed Reductions Will be Offset by Other Increases

From Our Own Correspondent

WINNIPEG. — Some small quantities of corn are being exported from the United States just now, so the price of corn in that country may be said to be governed to some extent by fluctuations in the exchange value of the dollar. Drought in South Africa has turned that country from an exporter to an importer, while low production and poor quality will prevent normal supplies from being exported from Roumania. The outlook for the Argentine corn crop is not considered good, and this taken in conjunction with the small production of the United States makes the available world supply less than normal. Nevertheless the announced determination of the Government to achieve higher corn prices is making little headway in the United States.

Money is being poured out in the corn belt states just now in payment to farmers who agree to cut their corn acreage next year. But farmers are also agreeing to cut the production of pigs, and low prices for cattle are bringing about a reduction in feeding operations. Thus the demand for corn threatens to be reduced before any reduction of supplies is brought about, a year from now, by reduced corn plantings next spring.

Cannot Trust Reports

Market comment from the south is much confused by uncertainties about currency developments, and published statements as to what farmers are doing, or likely to do, seem frequently to be tinged with propaganda. But there appears to be widespread feeling that reduction of acreage paid for, whether in corn or wheat land, will be offset to a large extent by increased planting of corn and wheat by farmers who do not sign contracts. Not only may farmers who cut down on corn grow more wheat, and farmers who cut down on wheat more corn, but plantings of both grains may be increased in the cotton states, where cotton acreage has been reduced. The hundreds of millions of dollars which are being distributed to farmers as payments to refrain from production, and by way of loans, are said to be providing capital for larger production than might be possible without such payments.

Corn belt farmers are offered Government loans on corn in sealed cribs on their farms at the rate of 45 cents a bushel, decidedly more than present market value. But this has not induced a belief on the part of farmers in higher prices, and they are still selling corn in as large quantities as the market will absorb at current prices.

U. S. Imports Rye

Rye continues to be imported to the United States over the prevailing duty of 15 cents a bushel. That the duty will be increased is taken for granted, but whether it will be done by executive order, in which case the increase could only be to 22½ cents a bushel, or whether action will be delayed until Congress meets, when a higher tariff could be applied, is a matter of uncertainty, and of alternating rumor. But some observers see an obstacle in the fact that the United States recently urged European wheat importing countries to agree to reduce wheat duties, and the Government might put itself in a peculiar position by endeavoring to shut out rye imports. To whatever extent rye is turned to distillers' use at the present time, a corresponding reduction will be accomplished in the surplus bread grain stocks of the world.

European Wheat Crop Believed All-time Record

Revision in production estimates in Europe during the past month have increased the total of 1933 production in that area, according to Dominion Bureau of Statistics. It now appears that Europe has harvested a wheat crop of between 1,640,000,000 and 1,650,000,000 bus. as compared with 1,480,000,000 bus. produced in 1932. Upward revisions in crop estimates have been made in the case of Austria, Bulgaria, Hungary, Latvia, Lithuania, Roumania and Yugoslavia. According to current estimates production in the Danubian countries is even larger than thought earlier in the season. The 1933 wheat harvest in Europe constitutes an all-time record.

A slight reduction in the estimate of the Canadian crop further reduces the volume of 1933 production in North America. Total production in 1933 is over 400 million bushels less than production in 1932.

Tentative estimates of 1933 production in the Argentine and Australia indicate a decrease of about 80,000,000 bus. as compared with last year.

Produce Fish Meal

Four of the fish reduction plants on the West Coast of Vancouver Island; namely, at Nootka, Ecoole, Kildonan and CeePeecee, are preparing to reduce herring and while they do not anticipate much oil will be produced, they hope the fish meal tonnage will be considerable. Salt fish will also be reduced in this area to a limited extent this season.

Winnipeg Grain Prices

Week to November 28

Crop year from Aug. 1, 1933 High	Low		Open Nov. 22	High for week	Low for week	Close Nov. 28
		Wheat				
.68⅜	.54⅝	November	..	.64½	.60	.60
.90⅞	.54⅛	December	.64⅜	.64⅜	.58⅞	.58⅞
.95	.59¼	May	.68¼	.68⅜	.63¼	.63¼
.70½	.64½	July	.69½	.69½	.64½	.64½
		Oats				
.32¼	.28	November	..	.30	.28	.28
.45⅝	.26	December	.30⅝	.30⅝	.28	.28⅛
.48½	.29½	May	.33⅞	.34	.31⅛	.31⅝
.36¼	.32½	July	.34½	.34⅝	.32½	.32⅝
		Barley				
.36⅞	.31⅛	November	..	.35⅛	.32	.32
.56⅞	.29¼	December	.34½	.34⅞	.31⅞	.32
.59⅜	.32½	May	.37⅞	.38¼	.35⅝	.35½
.41	.36⅝	July	.38¾	.39⅛	.36⅝	.36½
		Flax				
1.45¼	1.32	November	1.42¼	1.42¼	1.32	1.32
1.63½	1.11	December	..	1.41⅞	1.32	1.32
1.71½	1.15	May	1.47	1.48	1.39¼	1.39½
1.48⅝	1.39½	July	1.48⅝	1.48⅝	1.39½	1.40½
		Rye				
.50½	.38¼	November	..	.43⅞	.38⅝	.38⅝
.64½	.37	December	.44⅝	.44⅞	.38½	.38½
.68½	.39½	May	.48¾	.48⅞	.43	.43
.50⅜	.44⅛	July	.49⅝	.49⅞	.44⅛	.44⅛

Prairie Premiers Discuss Acreage Reduction Plans

Saskatchewan Favors Delivery Restrictions—Alberta Clouded by Political Unrest—Manitoba Feels It Has Done Its Bit by Developing Mixed Farming

From Our Own Correspondent

WINNIPEG.—A meeting of representatives of the three Prairie Governments was held in Calgary on November 29 to discuss possible action toward restriction of western wheat acreage next year, in view of the limitations on Canada's exports of wheat arising out of the London wheat agreement, and difficulties of the present situation. Premier Brownlee is to represent Alberta, Premier Bracken, Manitoba, and Provincial Treasurer McPherson, Saskatchewan.

Whatever is done, or not done, toward enforcing any cut in wheat acreage, the provincial Governments will apparently have to take responsibility. Mr. Bennett seems to have made it clear by his public utterances that the Dominion Government, in agreeing to restrict Canada's exports, in return for concessions made by other countries, was carrying out a policy desired by the western Governments. Both on that account, and for constitutional reasons, if legal restrictions on acreage are to follow as a natural result, they will have to be imposed by provincial action. Equally, if the decision is that no legal measures are necessary, it will be the provinces that will have to make that decision.

Governments Committed

Each of the three Governments are committed, not only to support of the agreement, but to the principle that western wheat acreage should be reduced. If there were not in prospect for next year a considerable natural reduction in acreage in Western Canada the Governments could hardly avoid an attempt to bring about a reduction. But the actual situation makes it quite possible for them to decide that the natural reduction is likely to be quite as large as is required. If not, two other measures are in their hands without resorting to legal restrictions. One is to cut down the advances of seed wheat to farmers unable to supply their own seed, and to encourage instead the growing of feed and fodder crops. The other is by way of general appeal to farmers to make a voluntary reduction in their wheat seeding.

It is by no means sure that any one of the three provincial premiers could get his legislature to endorse any measures for legal restriction of acreage, no matter to what extent he had previously committed himself. The local provincial member is quite as much concerned over his own chances for reelection by his constituency as he is about the fate or the prestige of his Government. Premier Bracken is at present perhaps the strongest of the three premiers with his own legislature, but the Manitoba members are likely to pay a good deal of attention to the attitude of the recent convention of the U. F. M., to the effect that whatever might be required in the other provinces, Manitoba farmers, by developing mixed farming had already done their share toward any required wheat reduction.

C. C. F. Influence Waning

In Saskatchewan a provincial election is impending. The legislature has been very evenly divided, with the Liberal opposition nearly equal in numbers to the combined Conservative and Independent supporters of the Government. Up until very recently the C. C. F. was thought to be gaining in political strength in Saskatchewan, so that it might control the next Legislature. But now, rightly or wrongly, the C. C. F. is regarded as just another big bad wolf that no one is afraid of.

Acreage restriction and other items of a "managed economy" would have fitted right into the C. C. F. ideas and to some politicians formerly seemed attractive on that account. Now C. C. F. endorsation does not seem so attractive as formerly, and fighting that organization instead of yielding to it seems more attractive. In Alberta, the U. F. A. which has sponsored the present Government, has gone C. C. F., but the members of the legislature have not done so, and there is growing doubt as to the ability of the U. F. A. to control the next election.

Want Delivery Quota

The Saskatchewan Pool organization has come out in favor of a quota of wheat deliveries for every farm, and want a wheat board appointed which would have both the responsibility of selling all the country's wheat and of working out and enforcing such a plan. The troubles of administering such a plan are probably greater in Saskatchewan than elsewhere, because one part of the province has had a succession of crop failures, and another has had a succession of fairly good, and some excellent crops. It seems highly unlikely that the Dominion Government could be induced to foster a scheme of this sort, and equally unlikely that it could be got through the Legislature if the details first had to be worked out and explained there.

Premier Brownlee is known to be an advocate of the appointment of a wheat board, but there is no indication that the Saskatchewan Pool plan finds much favor in Alberta. The latter province remained cold to the idea of a compulsory pool, when the agitation for that measure was at its height in Saskatchewan.

WHEAT EXPORTS SHOW DECLINE FROM 1932 LEVEL

Demand Smaller From Europe But Argentina Ships More

The wheat supply position has undergone little change during the past month, according to the Dominion Bureau of Statistics. Production estimates have been revised in many countries. Preliminary estimates of 1933 production in several European countries have been revised upward. At the present time it would appear that the total European wheat crop amounts to about 1,645,000,000 bus. as compared with 1,480,000,000 bus. last year. The chief increases in estimates have taken place in the Danubian countries. Estimates of production in the importing countries of Europe have not been changed to any extent. Large crops in France, Germany, Italy, Greece, The Netherlands and other importing areas are limiting the volume of world trade in wheat during the present crop year.

Harvest time is approaching in the Argentine and Australia. Several estimates have been issued covering the 1933 Australian wheat crop. These estimates range from 150 to 165,000,000 bus. The Commonwealth Government has officially estimated the production of 165,000,000 bus. Last year Australia produced 210,000,000 bus. of wheat. It is apparent that the present Australian crop is far short of the 1932 crop

No Official Estimate

The Argentine wheat crop has not been officially estimated. After a long dry spell early in the growing season, the Argentine received generous rains, and the condition of the crop improved greatly. At the present time the outlook is favorable for production of 200,000,000 bus., and if existing conditions continue the 1933 production may exceed this volume. It is likely, however, that the prolonged early-season drought will be reflected to a certain extent at harvest time.

When 1933 production in Canada and the United States is considered along with prospective production in Australia and the Argentine, it is apparent that the total outturn in the four countries is the smallest in years. It is certain that reduced production in the United States will enable that country to materially reduce year-end stocks by the end of the crop year and some reduction in the Canadian carry-over is probable.

Importers to Take Less

Exceedingly large crops in importing countries are tending to restrict the demand for wheat during the present crop year. From August 1, 1933, to November 20, 1933, world shipments of wheat and wheat flour amounted to 161,000,000 bus. as compared with shipments of 173,000,000 bus. during the same period last year. Argentine exports have been relatively heavy since the commencement of the present cereal year, amounting to 32,000,000 bus. compared with 12,000,000 bus. during the same period in 1932-33. In spite of reports of a good crop in Russia, exports from this source have been on about the same scale as last year and have been of minor importance. A sharp reduction has taken place in the movement from North America this season as compared with last. Since August 1, shipments from North America have amounted to 74,000,000 bus. as compared with 110,000,000 bus. during the corresponding period last year. North American shipments have consisted largely of Canadian wheat. Increased shipments from the Argentine and the Danubian countries along with a smaller demand, account for the decrease in exports from North America.

In spite of increased production this year the United Kingdom continues to import in large volume. During the three months from August to October inclusive British imports totalled 54,000,000 bus. as compared with 52,000,000 bus. during the same months last year.

GAIN IN PRICE TENDS TO OFFSET LOWER OUTPUT

Wheat Crop For 1933 Down 39.5 p.c. From 1932; Price is Up 29.5 p.c.

Average price for No. 1 Northern wheat in Winnipeg was 66.7 cents per bushel in the 89 trading days between August 1 and November 20, according to the Dominion Bureau of Statistics. In the corresponding period of 1932 average price was 51.5 cents per bushel. This increase of 15.2 cents per bushel in the average represents a gain of 29.5 per cent.

Final revised figures of the 1932 crop will indicate a yield of about 450,000,000 bus. The 1933 wheat crop is estimated at 272,000,000 bus. or 178,000,000 bus. less than production last year. These figures indicate that production in 1933 is 39,5 per cent less than production last year, and as pointed out above, this shrinkage in production has been accompanied by an increase in price of 29.5 per cent. On the basis of existing crop estimates and prices to date this year as compared with last year, it is apparent that increased prices compensate for a considerable share of the decrease in total production of wheat in Canada. The difference in the total value of the 1932 and 1933 crops will be cosiderably less than the difference in production estimates indicate.

Higher prices are being reflected in the increased value of Canadian wheat exports this year. During August, September and October, 1932, Canadian wheat exports amounted to 85,356,484 bus. with a declared value of $47,360,209. During the same months of 1933 exports have amounted to 51,624,531 bushels valued at $37,416,511. Exports have declined by about 34 million bushels but the value of wheat exported has only declined by about $10,000,000.

GATINEAU POWER REVENUE LARGER THIRD QUARTER

Large Surplus Carried Forward After Providing for All Charges

From Our Own Correspondent

MONTREAL. — Gatineau Power and subsidiary companies report consolidated operating income of $2,336,283 during the third quarter of this year, compared with $2,274,917 for the same period last year.

Balance added to surplus after all charges in the past quarter was $529,490 or nearly $73,000 greater than in the three months ended September, 1932. From the income figures below, it is noted that the company did not redeem any securities between July and September this year. Interest payments on the first mortgage bonds, prior liens and debentures, were lower, indicating a reduction in funded debt.

Larger Surplus Forward

Details of the income account for the third quarter of 1933 and 1932 follow:

Quarter Ended Sept. 30:	1933	1932
Oper. rev. & other inc.	$2,336,283	$2,274,917
Loss on exchange	29,435	50,977
Profit on secs. red.	......	500
Gr. revenue	2,306,848	2,224,440
Net revenue	2,021,132	1,939,540
Int on bonds & liens	881,251	885,571
Balance	1,139,881	1,053,969
Int. on debent.	272,280	277,266
Other int., amort. of disc., div. on pref. stk. of sub.	177,600	173,038
Depr. and amort.	161,111	147,017
Bal. to surplus	529,490	456,648

Revenue Is Higher

During the year ended September 30 last, consolidated revenue was $9,393,841. This compares with $9,203,914 in the previous year. Net revenue before interest and depreciation totalled $8,229,809 compared with $8,363,907. This was equivalent to 2 1/3 times interest on the company's first mortgage bonds and prior liens. After taking care of this charge the balance was more than 4½ times interest on the 6 per cent debentures of the company.

Comparative consolidated earnings for the 12 months ended September 30, 1933 and 1932, follow:

Twelve Months ended Sept. 30:	1933	1932
Oper. rev. & other inc.	$9,393,841	$9,203,914
Profit on exchange	......	317,754
Loss on exchange	247,611	......
Profit on secs. red.	265,087	107,923
Gross revenue	9,411,317	9,629,591
Net revenue	8,229,809	8,363,907
Int. on bonds & liens	3,527,986	3,545,302
Balance	4,701,823	4,818,605
Int. on debent.	1,098,331	1,117,731
Other int., amort. of disc., div. on pref. stk. of sub.	685,475	701,539
Depr. & amort.	667,841	583,514
Balance to surplus	2,250,176	2,415,821

Since July 1, 1932, there has been a loss on exchange due to necessity of purchasing at a premium a portion of the United States funds required for payment of interest and sinking funds.

CANADIAN CAR OMITS DIVIDEND SENIOR STOCK

Limited Prospects for New Business Necessitates Action

From Our Own Correspondent

MONTREAL.—Directors of Canadian Car and Foundry Co. have deferred dividend action on the company's preferred stock, of which $7,080,750 is outstanding. This action occasioned some surprise as, while it was known that the company had a limited volume of business on its books, it was thought that the cash position would enable the company to continue to make payments until it was possible to sum up prospects for 1934.

During the fiscal year ended September 30 last the company operated at a level of about 10 per cent of the average annual business since the company's commencement of operations in 1909, but if present prospects materialize, operations might be stepped up during the current year to around 35 per cent, according to a statement made by W. W. Butler, president of the company.

Last year the company had a loss of $853,307. In addition $498,286 was paid out in preference dividends, bringing the deficit up to $1,351,593. In the two previous years the company had net losses aggregating about $2,000,000.

In consequence of the excess of payments over income, the strong liquid position shown in the 1929 and 1930 balance sheets has been appreciably weakened. It is now necessary to conserve cash resources in order to take care of the company's requirements until such time as there is a pick up in railway buying.

B. C. Hardware Firm Sells Buying Group

McLennan, McFeely & Prior Ltd., wholesale and retail hardware distributor of Vancouver, has announced the formation of a new buying group of some 100 retail hardware stores in British Columbia which will operate under the trade name "Sunset." The stores entering the group are old-established stores which will now follow one policy. The retail department of McLennan, McFeely & Prior Ltd. will become a unit of this group.

Publicly financed early in 1928 through the issue of 6½ per cent first preferred stock, McLennan, McFeely & Prior Ltd. has continued dividend payments on this issue up to date. At the end of 1932 the company had total assets of $3,041,980 and a good working capital position. Formerly dependent in large degree upon the builders' trade and heavy hardware lines, the company's earnings have declined in recent years. The formation of the new buying group is expected to increase sales to retailers.

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Large Supplies Create Dullness On Wheat Mart

From Our Own Correspondent

WINNIPEG.—The wheat market has lately shown extreme dullness, with lack of buying either from overseas importers or traders on this side. Meeting of the International Wheat Committee at London, with renewed emphasis on large world supplies, seems to have been a cause of additional weakness. Buyers are hesitant both because of the exchange situation and a desire to be sure of the probable out-turn of the Argentine crop.

Private advices suggest that the crop there may be decidedly smaller than has recently been suggested, but these are not confirmed by official statements, which still suggest that the export surplus produced may exceed 160,000,000 bushels, or 45,000,000 bushels more than the quantity allotted under the London agreement. There is still the possibility of a good deal of damage before the crop is completely made.

World shipments last week were 9,700,000 bushels, of which North America supplied nearly 5,700,000. Shipments from the southern hemisphere were very small. Wheat on passage to Europe has decreased to slightly over 25,000,000 bushels, nearly 13,000,000 bushels less than at this time last year. Business out of Vancouver has been small since the beginning of this crop year, but with shipments out of Montreal at an end exporters there are hopeful of a fair movement from this time on. The price differential between Winnipeg and Vancouver has narrowed, but prices at the latter point are still slightly below the Winnipeg basis.

B. C. ORGANIZES MUNICIPAL DEPT. FACES IMPASSE

A. W. Gray, R. Baird Head New Bureau to Deal With Financing

From Our Own Correspondent

VANCOUVER.—One of the innovations of the Pattullo administration in British Columbia is the creation of a provincial department of municipalities under A. Wells Gray, minister of lands.

Mr. Gray was for many years mayor of New Westminster, and a veteran leader of the Union of British Columbia Municipalities. His deputy will be Robert Baird, long inspector of municipalities.

Relationship of the provincial government and B. C. municipalities has been a matter of growing importance and concern ever since the government decided that it would have to reduce drastically the municipalities' customary share of liquor profits, pari-mutuel revenue and other grants, which had been used for hospital, education and other maintenance expenditures.

Hard on Treasury

The provincial treasury may be dealt a severe blow when prohibition ends in the United States unless the federal authorities decide to reduce the excise tax on liquor. A revision downward in liquor prices may be needed unless there is to be wholesale bootlegging from the United States, and in any event the income from the liquor traffic may be curtailed. How will the province be able to increase its allotment of liquor profits to the municipalities under such conditions? That is one of the problems Mr. Gray will face.

Mr. Gray has also contended that the municipalities, as a result of the cut in provincial grants, have been carrying the whole burden of unemployment in British Columbia. He warned the previous government that unless the municipalities were given greater financial aid many of them would be forced into bankruptcy.

To meet the situation the province appears to face one or more of the following courses: 1. Further drastic curtailment of government services. 2. Increased provincial taxation. 3. More aid from the federal government.

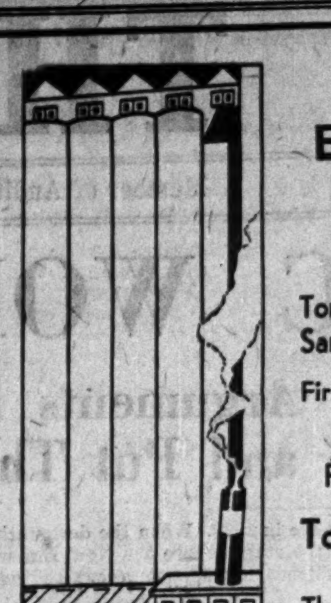
At this juncture it appears that the new Pattullo administration will look to the Dominion for support in meeting the acute situation. If the province could be free of the unemployment burden, the problem would be much easier, and when Premier Pattullo goes East soon after Christmas he will try to persuade Ottawa that unemployment should be treated as a national, not a sectional, matter. Just as the municipalities are looking to the province for aid, so is the province looking to Ottawa in the present emergency.

Meanwhile, the government is awaiting the report of the special commission appointed some time ago to investigate financial relations between the province and the municipalities.

Quebec Timber Cut To Show Big Increase

From Our Own Correspondent

MONTREAL.—Quebec Gold Mining Corp. has made application for the listing of its shares on the Montreal Curb Market. In its application the company states that a development campaign has been followed during the past year in the various fields in which the corporation's properties are located. It has also become associated with Big Missouri Mines Corp., in connection with the further exploration and development of the Big Missouri Mines of British Columbia, which is now progressing under the direction of Consolidated Mining and Smelting Co.



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Investors Entitled to Expect Protection from Company Law

Basic Weaknesses in Dominion's Legislation Make Position of Shareholders Unsatisfactory

By C. A. ASHLEY

The question of a uniform Companies Act, to take the place of the ten acts we now have in Canada, has again come to the front. All that is possible should be done to prevent the lowering of the standard to conform with the poorest of the acts, for they are all in need of being strengthened. The self-satisfaction of the Department of State at Ottawa is particularly difficult to understand, for the Dominion Companies Act is an outrageous piece of legislation, far more likely to provoke disreputable finance than to prevent it. Even when the act appears to offer some protection to investors its effects are largely nullified by new methods ignored by the act.

Prospectuses

In earlier times a limited company used to issue its shares direct to the public on the basis of a prospectus, and the Dominion Act rightly provides that such a prospectus shall disclose certain information, and that it shall be filed with the Secretary of State. In modern times, however, it has become an almost invariable practice for companies to sell their shares to investment houses, who resell them to the public. The investment houses publish prospectuses which are in no way governed by the act, although the need for protection of the public is at least as great.

A company can now acquire assets from promoters without disclosing any information as to the real value of those assets compared with the price the public is asked to pay for them. This resulted during the last boom in a wholesale watering of capital throughout Canadian industry, and in the enrichment of financial houses at the expense of the shareholders.

Should Be Strengthened

The Companies Act should obviously be amended to bring into operation its real intention, insisting on some minimum of protection of investors against fraudulent promoters. Had this amendment been made seven years ago, Canada would now be in a much healthier financial condition. The further point arises that it is, apparently, the business of no one to see that companies making issues direct to the public actually satisfy the requirements of the act. One of the latest issues of shares by a Dominion company was made on the basis of a prospectus that was not filed with the Secretary of State, and that did not give the information required by the act.

No Par Shares

The Dominion Act provides that a company may not issue its shares at a discount and this is a sound and necessary protection of the interests of those already holding shares. When the act was amended to allow of the issue of shares without par value, no provision was made to continue this protection, and in many companies directors now have the power to issue shares at a price which causes the value of all previously issued shares to fall, without the consent or knowledge of shareholders. The issue of shares at a price which, in fact, involves a discount would not be so dangerous or unjust if all new issues were offered to existing shareholders. It is possible that shareholders still have a right at common law to take up new shares in proportion to their present holdings, but if so, it is infrequently exercised, and should be reinforced by a specific provision in the Companies Act.

Distributable Surplus

The amount paid for an issue of no par shares can be divided by the directors into capital and distributable surplus, in whatever proportion they wish. The act states that no dividends shall be paid out of the capital of a company, but the amendment allowing the issue of no par shares, by giving the directors the power to determine the amount of the capital, allows them to pay dividends, even on other classes of shares, out of the proceeds of a sale of no par shares. In this way directors can pay dividends on preference shares that they hold out of the funds provided by subscribers to common shares, and can give an appearance of prosperity to a company when it is actually operating at a loss.

It is hard to imagine any act that, by a general invitation to dishonesty, would be so likely to undermine the integrity of promoters and directors. When this amendment was under discussion at Ottawa, it was frankly supported by the argument that, because some of the companies acts in the United States were loose, we could ill afford not to follow them.

Voting Rights

It was considered, in the past, that those who owned shares, and therefore ran risks of loss of interest and of principal, should have control over their property. It was realized that this control could be exercised only by the majority, but what was good for the majority had some likelihood of being good for the company as a whole. Shares are now issued carrying with them no rights of voting on questions of management; the whole of the voting power may be retained in the hands of a small number of shareholders of a special class, and there is nothing to prevent the management aiming exclusively to benefit that special class. The powers given to directors may allow of the almost total diversion of profits away from non-voting shareholders. The most elementary justice would require that all shares should carry voting rights.

It is idle to argue that shareholders need not buy shares of this kind unless they wish. There is a minimum protection to which they should be entitled under the act, without having to acquire and study the by-laws of all the companies whose shares appear on the market. The act does not even make provision for the supplying of by-laws on demand to shareholders, and no mention is made of prospective shareholders.

Share Dealings by Directors

It is not as commonly recognized as it should be by directors and others that the information that becomes available to them through occupying a position as trustees of the interests of shareholders, should not be used for their personal profit, or to the detriment of the shareholders. Directors are allowed to buy and sell shares in their companies quite freely, and there is always a temptation for them to take advantage of their special knowledge of conditions and prospects. Except in very bad cases it would be difficult to prove fraud, and merely to prohibit directors from dealing in shares of the company they manage would result in an extension of the objectionable custom of carrying through transactions in the names of dummies, or of forming private companies for the purpose.

Special information as to prospects is only one of the advantages held by a director; cases are not unknown of directors issuing misleading or false information in order to manipulate share prices. Perhaps the only remedy here is for very large penalties to be inflicted whenever a director is proved to have gambled in shares of a company in which he holds a fiduciary position.

Holding Companies

Practically nothing has been done to attempt to deal with the problems raised by the creation of complicated groups of companies owning shares in each other. This new form of organization has added tremendously to the power of directors to divert profits from the general body of shareholders into their own pockets, and to their power of disposing of the assets of a company to their personal profit. In addition there is much greater scope for the manipulation of the market value of the different shares. Few people understand the accounts of these companies, and there is no way in which an accurate view of the financial position of a company within a group can be shown. Many holding companies publish only a "consolidated" balance sheet, which fails to satisfy the requirements of the Companies Act, but no official action is taken.

A further point is that the accumulation of influence and wealth in these groups has resulted in a great increase in the opportunity of corruption of civil servants and employees of other businesses. No complete solution of the problem is yet in sight, but that is no reason why elementary precautions should not be taken, by amending the act to cause much fuller information being given in the published accounts of holding companies and their subsidiaries.

Shareholders' Remedies

The department of the Secretary of State does not consider it as part of its duty to see that the provisions of the Companies Act are carried out, and unless this is changed, the sooner shareholders become aware of it the better. They must realize that when the act says certain things must be done, the administration will enforce this, in many cases, only on the demand of a shareholder, and that it is in no way bound to enforce penalties mentioned in the act. The very wide distribution of shares of large companies makes it difficult for individual shareholders to organize effective action, and there is a danger that the supporting of a "shareholders' committee" may, at best, result in the replacement of one financial group by another, equally oblivious of the interests of the shareholders. The use of the proxy machinery is largely in the hands of directors. They do not hesitate to use the funds of the company in obtaining proxies, whereas a group of shareholders would find that to appeal for proxies was an expensive matter. Further, it has already been shown how the issue of non-voting shares has closed this method of protection.

Expensive Legal Advisers

All that is left for the shareholder is to examine the meagre information he is allowed, and watch carefully for clear cases of fraud. Even when he and his advisers are satisfied that there is a clear case he remains uncertain as to the probable result of an action in the courts, for the dice are loaded heavily in favor of the directors, who have all the information at their disposal, and may sucessfully show that their actions can be legally justified by special circumstances. An expensive legal action on excellent prima facie grounds may, and probably will fail.

The remedies are a very big increase in penalties for all infractions of the act, and the requirements of the publication of much more information as to the operation and financial condition of companies. It is a dismal fact that the listing requirements of the leading stock exchanges give much better protection to shareholders than does the Dominion Companies Act, which is partly out of date and partly amended in the interests of promoters and directors, and the enforcement of which is nobody's business.

Enquiries

Dominion Bridge

It would be appreciated if you could let us have your opinion on the outlook for Dominion Bridge. Do you think the stock is likely to advance in value in the near future?

Prospects for Dominion Bridge are indefinite just now. As you know, the company's earning power depends on the volume of new building undertaken in the country. Dominion Bridge has excellent facilities to take care of a resumption in construction, but until such time as new works are undertaken, revenues must be necessarily somewhat limited. As a long hold, the stock of this company is favorably regarded. It is out of the question, however, to give a definite opinion on the immediate future of the company.

Beauharnois

Can you tell me when Beauharnois Power Corp. will resume interest payments on its debentures? Do you think the company has any chance of coming back?

There is no immediate prospect of Beauharnois Power Corp. resuming interest payments on its bonds. Present plans are to resume payments in the spring of 1938, by which time income will be sufficiently large to take care of this obligation. Under the recent reorganization, finances of the company have been placed on a sounder basis and with earning power increasing from year to year under the terms of contracts with Ontario Hydro and Montreal Light, Heat and Power Cons., there should be a better price for the company's bonds.

United Grain Bonds

Would you tell me whether it is a good investment to buy some U.G.G. bonds? Apparently they are on the bargain list.

Please give me an idea if there is a chance of them defaulting bond interest.

United Grain Growers sinking fund bonds outstanding total $3,177,500 series A 5 per cent, due 1948 and $651,500 of series B 5½ per cent due 1949. Both bonds have the same security of a first specific mortgage upon fixed assets and by a floating charge upon net current assets.

All interest in the year ended July 31, 1933, was earned 1.58 times before depreciation and .41 times after depreciation. In the preceding year earned interest had been 3.78 times before depreciation and 1.86 times after depreciation and in the year preceding that 3.83 times before depreciation and 2.02 times after depreciation. In the 11 months ended July 31, 1930, there was a loss of $139,714 before either depreciation or bond interest.

One reason for the drop in the earnings in the year ended July 31, 1933, was that in November, 1932, the company was subjected to a reduction of one-third of the usual rate of elevator storage charges by the Board of Grain Commissioners. The old rates have been restored for the current year. The company also carried over a much larger proportion of its grain bought during the year on July 31 than was usual and therefore, a goodly part of the earnings which had accrued on that date did not show on the balance sheet.

The company has apparently had good management through the greater part of its career and has been able to pay dividends on the common stock of $25 par value, ($3,146,850 paid up) ever since 1911 with the single exception of the years 1918 and 1922. It was paid last year even though not earned.

Because of inventories of grain stocks exceeding $8,000,000 bank loans and overdrafts were nearly up to $7,000,000 at the end of its fiscal year. Bank loans will be reduced as grain stocks lessen.

Dominion Royalty

I am a substantial holder of bonds of the Dominion Royalty Corporation Limited and seek advice with regard to the signing of a proxy in favor of Frank N. Bowes, president of the above company.

It is very difficult to speak with exact information with regard to the affairs of the Dominion Royalty Corporation. When the shares of this corporation were being sold by the Mid-Continent Bond Corp., Ltd., and by Mr. Goffatt referred to in Mr. Bowes' letter to bondholders of Dominion Royalty Corp., The Financial Post felt that great chances were taken by those who put up money for this project. Apparently when bondholders and others took charge after stormy meetings they received the support of the majority of security holders on the ground of charges that Mid-Continent Bond Corp., of which Mr. Goffatt was the chief executive, and another of the old directors had unnecessarily loaded the company up with expenses. The Corporation has doubtless been going through bad times since then as it has been a difficult period for all royalty companies. Such a company could not hope to succeed in any case, unless it had most experienced buyers of royalties in regions where the royalties are secured. This company also had an interest in some actual drilling projects.

If the company is in receipt of notice from the trustee under the bond mortgage that it has received a requisition from a number of bondholders demanding that it take steps to enforce the mortgage and that it intends therefore after three months to take possession, it may be right for the directors to call the bondholders generally together to consider the situation and to see whether there is any better way out.

The statement by Mr. Bowes that the company has never had from the first day of its existence assets to anything like the amount of its outstanding capital, nor, in fact, equal to the principal of the outstanding bonds, largely attributable to the excessive commissions and expense charges drawn by Mid-Continent Bond Corporation, as promoter, should have been supported by a financial statement outlining the exact situation. All Mr. Bowes has to say as president must be based on exact information but bondholders would be in a much better position to judge if Mr. Bowes' letter had been accompanied by an actual financial statement showing the position both from the standpoint of assets and liabilities and from the standpoint of receipts and disbursements as well.

It is quite true, as Mr. Bowes says in his letter, that the price of crude oil has been increased in the United States under the oil code. The volume of production has been curtailed, however, still further.

Most companies are worth more as going concerns than they would be after passing under a receivership, but not necessarily. Bondholders might very well at this juncture demand clear enough statements of the exact financial situation and the experience of operation in the last year or two to enable them to decide whether or not it is well to get out of such a speculative business by immediate liquidation through reputable channels or to continue in the hope that operating results would improve.

United Farmers Co-op.

I am holder of four shares of United Farmers Co-operative Co., Ltd., Toronto. Is there a market for these shares, and what are they selling for?

With reference to your four shares of United Farmers Co-operative Company Limited there is no present market for these shares. The market is made through the company itself and as the only purchasers are farmers, the market depends on farmers asking for the stock. At the present time the company reports that farmers have no money available for purchase of shares and, therefore, there is a long waiting list of those who desire to sell. They are inclined to think that in a period of active business when farmers have more purchasing power this situation may be reversed and that, therefore, there is more hope in holding than in trying to sell.

When one looks at the last financial statement of the company, it is evident that the waiting time until dividends may be paid, may be long. The company paid 7 per cent in the high price years of 1916 to 1920 inclusive, dropped dividends in 1921, 1922, 1923 and 1924, paid 3 per cent in 1925 and 1926 and the only other dividend was $1 a share in 1929.

The company's working capital is somewhat low and at the end of 1932 it owed the banks more than $366,000. There is a deficit of nearly $80,000 which has to be made up out of earnings before there can be any thought of dividends. At the end of 1932 there were 70,060 shares outstanding.

There is at present a proposal before the shareholders to change the policy of the company to a purely co-operative business. This received majority support at the last annual meeting but owing to severe criticism and opposition the plan was left over until the next annual meeting. That should be soon.

Phoenix Elevators

I hold stock of Phoenix Elevator Co. Ltd. but have had no report from them for two years. What would you please advise me as to what progress has been made during this time?

Position of Phoenix Elevator Co. is not very strong at the moment. The Financial Post has, however, not been able to get exact figures. Formerly it was the Electric Elevator and Grain Company, which was reorganized in 1930 due to failure to meet bond interest. It has had difficulty in meeting bond interest on the due dates since the time of reorganization and is at present in arrears as well.

The outlook for the stock is, therefore, very dubious.

C. P. & P. Trust

Can you let me have any information as to what progress is being made by Canadian Power and Paper Investments? Is the company paying interest on its debentures?

At present a bondholders' protective committee is working on the affairs of Canadian Power & Paper Investments. We understand that they have been in negotiation with the trustee with a view to working out a plan to put the company on a sounder basis. These negotiations should be concluded shortly and a report issued to the bondholders before the end of the year.

Walkerville Brewery

Will you oblige us with some information regarding the common stock prospects of Walkerville Brewery and Canadian Budweiser? I would like the price range also.

As far as Walkerville Brewery is concerned that stock has just been listed on the Montreal Curb and it will be possible to follow the price situation there. The stock has just been put out so that there is no price range to speak of. The directors are well spoken of.

The prospects of profits for Walkerville Brewery are bound up to a certain extent in the future policy of Ontario. It is expected that a policy of permitting sale of beer and wine in hotels, clubs and restaurants may be adopted at the meeting of the legislature this winter, but even if this is done, there is no assurance as to when sale would go into effect. The company has had quite a long career and reports dividends during part of it to have been considerable. On account of increasing taxation and competition earnings of breweries have been somewhat limited in recent years. This company is not paying dividends at present but hopes by publicity, by pushing its wares and by a change in provincial policy to do better. It is a speculation, depending on these factors. Its products have already a considerable vogue down along the Border Cities and in other parts of Ontario.

Canadian Budweiser has been taken over by Brewing Corporation. There is no market for the shares at present but the corporation reports the situation to have improved somewhat for the subsidiary. In this case again much depends on provincial policy with regard to the sale of beer and wine.

A. J. Freiman Ltd.

I hold some preferred shares of A. J. Freiman Ltd. for which I have been offered other securities. I am told the dividend has been passed on the Freiman preferred but have received no notice from the company to that effect. How has Freiman been doing this year? Does it appear that the company can continue to pay preferred dividends?

A. J. Freiman Ltd. has paid dividends regularly on its 6 per cent preference stock since the initial dividend was paid July 2, 1928. No preferred dividend has been passed. While sales of the company in the current fiscal year have shown no marked improvement, we understand that profit of the company is higher than in 1932 and that the requirements for preferred dividends will be earned by a satisfactory margin before provision for depreciation.

The company does not issue a complete statement of earnings but the balance sheet as at January 31, 1933, showed a sound financial position. Since that date there has apparently been no developments that would injure the position of the preferred shares. While these shares are listed on the Montreal Curb market there is very little market for the stock. We are informed that there is no stock offered for sale at the present time but that there is a strong bid for the stock around $55 per share. It is quite possible that this bid might come from the company.

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

Hockey Score Racket

WITH the National Hockey League getting under way for the 1933-1934 season a fake lottery scheme has been discovered. Small blue sealed cards are offered for sale at a small price. The cards contain a list of the week's National League hockey games with three teams checked at random. Holders of the three high and three low teams are supposed to get prizes of $35 and $15 respectively. Attention of the police was drawn to the scheme when the woman who held the winning card was unable to collect. The card stated that any disputes would be settled by one of the Toronto daily papers. It was found that this paper had no knowledge of the scheme and had not granted the use of its name.

* * *

Eye "Specialists"

THE Nova Scotia man who had removed from his eye a "cataract" that later turned out to be the inner skin of a soft boiled egg is not the only person to be the victim of fake eye specialists. Police in London, Ont., recall that two eye specialists swindled dozens of Western Ontario farmers several years ago but are now serving prison terms in British Columbia.

Police believe that there is a "college" near Kansas City that trains swindlers in the eye specialist racket and sends its graduates to all parts of the world. The "specialists" go to farmers suffering from eye trouble and offer to cure them with an operation. The farmer pays in advance, the "specialist" pretends to operate. The farmer is shown a substance that is stated to have been taken from the eye and is promised that in a few days his sight will be restored. In this period the "specialist" disappears with the money and later the farmer finds that his eyesight is no better.

* * *

Dr. Bruce Speaks on "Quackery"

DR. HERBERT A. BRUCE, Lieutenant-Governor of Ontario, in delivering a recent address on "Quacks Versus Science" stated, "there is more money made by quacks today and more vast corporations built up on quackery, barefaced and unashamed, than at any other time in the history of medicine." He claimed that no such thing as a "skin food" exists and that the cult of beauty practices is an unending and increasingly bold fraud upon the women of today victimizing them in numerous ways.

Dr. Bruce specifically mentions a number of examples of what he terms the hundred or more types of healing offered today to the public. He mentioned the Alereos system, Autohemic Therapy, Auto-Science, Autotherapy, Couéism, Divine Science, Albert Abrams' Electric Therapy and other systems. Referring to beauty aids, Dr. Bruce said "despite the advertisements it is quite impossible to feed the skin by rubbing in fat or creams of any kind. Nor is cleanliness aided by plastering the surface of the skin with one type of cream after another and then being compelled to wash away the entire mess. There is no such thing as skin food. The skin can be soothed, or made temporarily more pliable by external application, but it cannot be 'fed.' Since the profits of the beauty shops are dependent mainly upon the sale of lotions, creams, shampoos, ointments, depilatories, beauty clays, face packs and other similar preparations, the number of these increases daily. Preparations similar to most of the beauty clays selling at from $2 to $10 a pound may be made by mixing a pound of kaolin or dried beauty clay with the same weight of water. Such a preparation costs 20 cents. What a vast trade has grown out of the desires of Mr. Babbitt's wife and daughters to enhance the physiognomies and figures with which a none too beneficent Providence endowed them."

Contrasting present conditions with conditions of the past, Dr. Bruce went on to say, "both the buildings and the business corporations witness the fact that the modern quack prospers by commiting wild buffooneries in the name of science. Until the public wakes up, he will continue to prosper, and he would be the envy of all the quacks of all earlier times were they able to visualize this twentieth century, the golden age of quackery."

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Wainwright West Oil

There are a few things that we would like to have explained about Wainwright West Oil. Our understanding is that some 90 per cent of the outstanding stock in this company has been pooled and a market is being made with the small balance of stock outstanding now that the shares are listed.

Would you advise retention or sale of free stock around present levels of eighty cents?

Wainwright West Oil is the promotion of P. D. Bowlen, who is best remembered for his promotional activities a few years ago in connection with the now defunct Wainwell Oils Ltd. The present company was formed ostensibly for the purpose of developing oil leases in the Wainwright field of Alberta but when this area failed to sustain public interest the scene was shifted to United States oil fields where the company has some producers that are under the prevailing proration programmes.

The capitalization of the company is 1,000,000 shares, of which some 460,000 shares are outstanding. Of these about 250,000 shares are pooled. Whether or not the shares are a sale we cannot say but the prevailing market is substantially higher than the average selling price exclusive of the vendor shares.

Canadian Malartic Gold Mines

Could you supply me with any information in regard to Canadian Malartic Gold Mines in which I am interested?

What financial position is it in?

Has it done any work on the property?

What are its future possibilities?

Canadian Malartic Gold Mines is developing an interesting gold prospect in Fourniere township, about 25 miles each of Noranda Mines in Quebec. Work was resumed this summer when the company was reorganized and operations are in charge of Andrew Walz, a well-known and highly regarded mining engineer. It has been felt by some shareholders that the original work done by Ventures Ltd. was far from conclusive and that the property had a real chance. These shareholders pressed for and secured a reorganization that permitted new finances being supplied. If and when all options on treasury shares are exercised, the company will be provided with $840,000—sufficient funds to bring it into production if and when this is deemed advisable.

The property is responding to the present development programme in a most encouraging manner and those in a position to know regard it highly.

Greater Canada Gold Corp.

I have been solicited to exchange my shares of Lake Maron Gold Mines, which are pooled, for those of Greater Canada Gold Corp. I can not just understand why any one should be interested in shares that are pooled unless they plan to have them released, and as they are listed market them. Will you please give me your advice on the offer?

Whether or not an exchange of Lake Maron shares is desirable for those in Greater Canada Gold Corp., we cannot say from the meagre information available. If your Lake Maron shares are pooled indefinitely, they are worthless to you as far as marketing is concerned. The chief factor to consider is the personnel of the two companies which seem to be inseparably entwined. Arthur Carr, whose name appears as a director of Greater Canada, is best known for his promotional activities over a number of years in connection with Algoma Mining & Finance, which did not achieve a mining success.

Lake Maron shares are listed and traded on the Standard Stock & Mining Exchange and, therefore, a market exists, which is not the case of Greater Canada.

Maple Leaf Mines

I would like to have you give me your opinion of the Maple Leaf Mines as speculation. Has the company any properties that have a chance of becoming mines?

Chief interest in Maple Leaf Mines centres on its recently acquired option on control of the Casey Summit Gold Mines. This property has remained dormant for several years for the lack of financing which Maple Leaf is providing. It is a very interesting property and is known to have an attractive ore showing and it is hoped that as development progresses the ore will be extended It is one of the most attractive properties under develment in the Patricia District and we believe that the money being raised by Maple Leaf Mines is being intelligently expended on the development of the property in an effort to make a mine.

Canadian Securities

Dominion of Canada
Dominion Guaranteed
Provincial Government
and Municipal Bonds

DOMINION SECURITIES CORPORATION, LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

PRUE COTTONS

Manufacturers of
INDUSTRIAL
and
HOUSEHOLD
Cottons
in Canada
for over
TWENTY-FIVE YEARS

DOMINION TEXTILE
Company Limited
MONTREAL
TORONTO
WINNIPEG
VANCOUVER

THE SUN-LANDS OF THE EAST
BALI-INDIA
the ORIENT

From the photograph by Burton Holmes

NEW FACES
STRANGE PLACES
FRESH KNOWLEDGE

Leave New York right after the Holiday. New horizons open before your eyes—wonder after wonder from the world's vast storehouse—130 carefree, joy-filled days as you follow Spring around the World.

The Mediterranean at the Season's height—India—Penang, gateway to Cambodia and Angkor Wat—Semarang, for the Boroboedoer, Java's most famous Buddhistic remains—BALI, that unspoiled garden of Eden—Japan in Cherry blossom time—days, not hours, in interesting ports.

33PORTS
24 Countries
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Share excursions at very moderate rates. Standard Shore Programme, $500.

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A Safe Investment
5%
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issued for
$100 and over
1 to 5 years
The Huron & Erie
MORTGAGE CORPORATION
Chartered 1864
Canadians have $27,000,000 invested in these debentures

Insurance for Buyer and Seller

GREAT WEST LIFE PLANS PAYMENT HIGHER DIVIDEND

Interest Rate Will be Cut to 4¾% in 1934

Another small but definite increase in dividends to participating policyholders has been announced by the Great West Life Assurance Co. The new scale is effective January 1, 1934, and is the second increase the company has made since it took drastic action in 1931 to put its policyholder distributions on to a comparable basis with the general decline in company earnings which had taken place.

The company also announces that the interest rate to be allowed policyholder funds will be 4¾ per cent during 1934. Great West is the second Canadian company to drop to this rate, the Sun Life having made the break from the previous 5 per cent minimum, in April, 1933.

Comparative dividends on the 1933 and 1934 scale as given by the company follow:

Old and New Dividend Scales
(At age 35)

	Years in force		
Ordinary life:	1 year	10 yrs.	20 yrs.
1934 scale	$6.20	$7.18	$8.70
1933 scale	6.16	6.86	8.00
20-Pay Life:			
1934 scale	5.70	6.76	7.90
1933 scale	5.64	6.25	6.66
20-Year Endowment:			
1934 scale	6.44	7.64	8.18
1933 scale	6.35	6.76	6.01

In making the announcement the company states:

"(1) Effective January 1, 1934, there will be an increase in the company's regular scale of profits to policyholders.

"(2) Paid-up policies, taken in surrender of participating policies, will participate in profits in the future. The effect of this rule will be that:

"(a) all such paid-up policies now in force will be regarded as amended to provide for participation in profits from the policy anniversary in 1933,

"(b) all existing participating policies will be regarded as amended so that their surrender options will entitle the policyholder to a paid-up policy participating from its date of issue,

"(c) no profits, however, will be allowed on extended term insurance whether taken in surrender of a participating or of a non-participating policy, nor will profits be allowed on paid-up policies taken in surrender of non-participating policies.

"(3) The 1934 interest rate to be allowed on accumulative profit funds, proceeds of policies, single premium investment policies, etc., will be 4¾ per cent.

"This is the second consecutive year in which we have increased profits to policyholders. This announcement, therefore, indicates that the company is satisfactorily pursuing its financial programme of paying profits to policyholders consistent with its increasing soundness and earning ability.

"While, in common with most other companies, we have made a small reduction in the interest rate applicable to funds left with the company, our policyholders and beneficiaries will continue to have the advantage in this connection of a rate substantially higher than that now obtainable on better-class bonds."

Insurance Inklings

E. W. SMITH, supervisor of sales promotion of the Mutual Life Assurance Co. of Canada has been appointed branch manager of the Windsor territory of the company. He succeeds **R. C. CARTER** as manager at Windsor and Mr. Carter will assume charge of one of the company's branches at Montreal. Mr. Smith has been with the Mutual Life for 33 years.

Life Underwriters in **Brantford**, Ont., recently held a successful meeting with 30 members of the local association present to hear R. T. Boyes, of Toronto speak on the subject of "One Man's Journey." **Joseph VIVIAN CLU**, president of the Brantford association presided at the meeting.

Heads Actuary Club

GEORGE W. BOURKE
Chief actuary of the Sun Life of Canada, who has been elected president of the Actuaries' Club of Toronto, recognized as the senior actuarial organization in Canada. He is the first Montrealer to hold this office.

Mr. Bourke is a McGill graduate, with gold medal honors in mathematics. He joined the actuarial department of the Sun Life in 1919. In 1924 he was appointed chief mathematician, and in February, 1932, was appointed chief actuary of the company. He is a Fellow of the Actuarial Society of America and the Institute of Actuaries of Great Britain.

When Key Man Dies Survivors' Worries Begin

But Business Life Insurance Trust Agreement Provides Answer to Close Corporation Problem

By R. M. HAULTAIN

The purpose of this article is to summarize the problems that confront the surviving active shareholders in a close corporation immediately after the death of one of their associates.

For the sake of brevity we shall term them partners.

Actual Experiences Recorded

The following statement of problems has been selected and summarized from material supplied over a considerable period, by business men who have lost a partner and who have been through the mill themselves.

When one of the active partners in a close corporation dies the survivors have to deal with the following problems:

1. Shrinkage of bank and trade credit;
2. Replacement of deceased's services;
3. Shrinkage of business produced by deceased;
4. Probable desire of widow with business experience to take her husband's place in the business and draw his salary;
5. Moral obligation to see that dividends are paid to deceased's family, possibly at expense of own salary increases;
6. Activity of competitors seeking to win deceased's customers;
7. Difficulties with widow or her advisers caused by conflicting interests.

Four Courses of Action

There are four main courses of action open to the survivors:

A. To carry the deceased's interest in the business;
B. To buy the deceased's stock;
C. To sell out;
D. To wind up.

The decision of the survivors as to which course to follow will be based largely on whether they hold control or whether the estate of the deceased holds control.

When Survivors Hold Control

Course A.—When the survivors hold control and decide to carry on without making any attempt to buy the deceased's interest they must consider the following factors:

1. They will find themselves as a rule subject to constant criticism from those interested in the deceased's estate.
2. The estate stock may be sold to new interests, probably unfriendly interests, who desire to gain a foothold or secure inside information.
3. The survivors often feel a moral obligation to pay dividends on compassionate grounds at times when earnings should be conserved or applied to replacement of equipment;
4. The heirs of the deceased usually fail to understand why the firm does not earn the profits it did when the deceased was active.
5. The heirs usually come to the conclusion that they are being kept in the dark, and cause trouble.

Course B.—If the survivors hold control and decide to buy the deceased's stock the factors enumerated below appear:

1. An unreasonably high price, in view of the new conditions, is usually asked;
2. While highly desirable, the purchase is usually hard to finance;
3. An installment purchase involves heavy commitments on principal and interest and may keep the survivors poor until it is paid off;
4. It is the wrong time either to take money out of the business or to borrow it from the bank;
5. One survivor only may be able to arrange the necessary financing and would thus get control at the expense of the others.

Course C.—If the survivors hold control and decide to sell out they find:

1. That the time is wrong to get a reasonable price;
2. That with the sale goes their established means of earning a livelihood.

Course D.—If the survivors hold control and decide to wind up:

1. Everyone takes a loss;
2. Their established livelihood is gone;
3. Their employees are on the street.

When Estate Holds Control

Course A.—When the deceased's estate holds control and the survivors decide to carry on and work for it, there are these considerations:

1. They must cater to the whims of the heirs or get out;
2. They must devote a great deal of time to explaining all their actions to the heirs.
3. The heirs may sell out. The new owners would probably bring in their own management and freeze the survivors out;
4. The old incentive is gone;
5. The heirs will probably be unable to understand the handicap suffered by the management due to credit shrinkage;
6. The heirs may assume the management themselves without the necessary qualifying experience, thus impairing the survivors' investment;
7. It is only human nature for misunderstandings to develop in a situation such as this;
8. The business may be operated successfully only if all parties on both sides are exceptionally tolerant.

Course B.—When the deceased's estate holds control, if the survivors offer to buy the deceased's interest:

1. Highly desirable but difficult to finance at such a time;
2. It is the wrong time to borrow;
3. The heirs would probably want a price out of all proportion to the survivors' views, the new conditions considered;
4. If one survivor controlled capital to finance the purchase, he would gain control and the others would be dependent on his goodwill and that of his financial backer.

Course C.—When the deceased's estate holds control and the survivors decide to try and sell out;

1. To whom could they sell? Who would buy a minority interest under such circumstances?
2. What percentage of value could they expect to realize?
3. With the sale goes their established livelihood.

Course D.—When the deceased's estate holds control and the survivors decide to get their money out by liquidating:

1. Only a fraction of the value would be realized;
2. The employees as well as the survivors lose their livelihood.

The problems outlined above command the attention of those caught in this position before a course of action can intelligently be decided upon. The working partners of nearly every close corporation that does not make provision to eliminate these problems will face them sooner or later.

The Solution

If a Business Life Insurance Trust Agreement is in existence the problems examined above are eliminated. The deceased's interest is automatically transferred to the survivors at a fair price. The deceased's family receives cash. The valuation method stated in the agreement governs. The whole problem is solved for the survivors in the following manner by the arrangement:

1. It gives the survivors unhampered control;
2. It establishes the valuation;
3. It commits the heirs to sell;
4. It eliminates causes for hard feelings;
5. It maintains credit;
6. It gives all earned profits to survivors;
7. It gives survivors full incentive;
8. It ensures the employees' positions;
9. It stabilizes employee confidence;
10. It prevents loss to anyone;
11. It eliminates unpleasant negotiations;
12. It prevents outsiders from getting a foothold;
13. It provides the satisfaction of seeing the widow get full value;
14. It guarantees the purchase money.

The fourth article of this series will deal with the problems from the viewpoint of the deceased's family.

Insurance Problems

Insurance questions of general interest submitted by subscribers of **The Financial Post** will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Fire Policy Loopholes

I was told recently that if a person makes any electrical connections in his home which are not standard or inspected or approved by the Ontario Hydro inspector, such as splicing lamps and so forth, the insurance company in case of fire can refuse to pay the claim.

Is this true?

A check-up of the statutory conditions on the regular fire policy does not reveal any loophole to render the company not liable in the event of a loss due to unapproved electrical connections.

As we understand it, the fire insurance companies in Ontario depend on the fact that all residences are inspected by officials of the Ontario Hydro and as far as we can ascertain there is no basis on which a company can disclaim liability once it has accepted a risk.

Life Presidents' Ass'n. Will Hear Rhodes Speak

Presidents of the leading life insurance companies of the continent will meet in New York on December 7 and 8 at the 27th annual convention of the Association of Life Insurance Presidents. Among the principal speakers at the convention will be Hon. E. N. Rhodes, Canadian Minister of Finance who will contribute an official Canadian viewpoint to the discussions. Leighton McCarthy, K.C., president of the Canada Life Assurance Co., Toronto, will act as vice-chairman of the reception committee, while Charles S. MacDonald, Toronto, will also act on this committee.

The chief theme of the convention will be "Resources and Resourcefulness—America's Great Reserve." In addition to Mr. Rhodes, speakers will include Paul V. McNutt, Governor of Indiana who will speak on "Responsibilities of State Governments;" Roy A. Roberts, managing editor of the Kansas City Star, who will speak on "Mid-Western Resources and Resourcefulness" and Gurney E. Newlin, prominent Los Angeles lawyer, who will speak on "Natural Resources as a National Reserve." A number of leaders in the life insurance field will speak on various subjects.

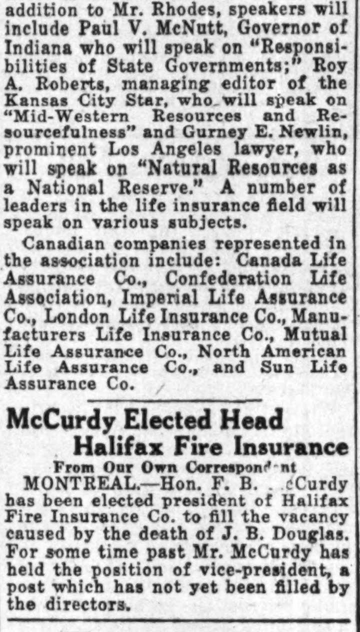
Canadian companies represented in the association include: Canada Life Assurance Co., Confederation Life Association, Imperial Life Assurance Co., London Life Insurance Co., Manufacturers Life Insurance Co., Mutual Life Assurance Co., North American Life Assurance Co., and Sun Life Assurance Co.

McCurdy Elected Head Halifax Fire Insurance

From Our Own Correspondent

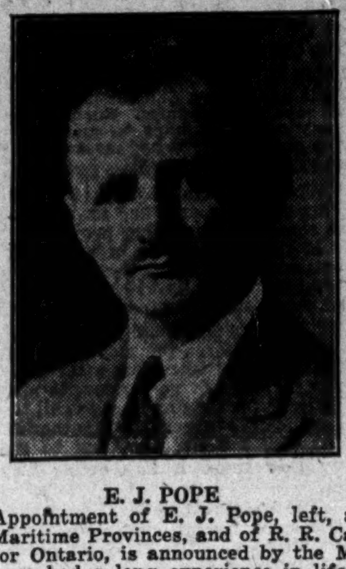
MONTREAL.—Hon. F. B. McCurdy has been elected president of Halifax Fire Insurance Co. to fill the vacancy caused by the death of J. B. Douglas. For some time past Mr. McCurdy has held the position of vice-president, a post which has not yet been filled by the directors.

Elected President



JOHN W. HOBBS
Toronto, who has been elected president of The Continental Life Insurance Company. Mr. Hobbs is also president of the Consolidated Plate Glass Company of Canada, Limited, a director of the Canadian Pacific Railway, the Imperial Bank, the Dominion Glass Company Ltd. and many other financial and industrial companies.

Metropolitan Life Supervisors



E. J. POPE R. R. CAMPBELL
Appointment of E. J. Pope, left, as supervisor for Quebec and the Maritime Provinces, and of R. R. Campbell, right, as group supervisor for Ontario, is announced by the Metropolitan Life. Both appointees have had a long experience in life insurance and have also taken a course of training at head office of the company in New York City.

Hardware Underwriters Will Move Office to Toronto

Head office of the Canadian Hardware and Implement Underwriters will be moved from Winnipeg to Toronto on February 1, 1934, and will be established in the Commerce and Transportation Building, Bay and Front Streets. The Winnipeg office will be continued under the supervision of H. W. Lambert to handle Western business.

F. B. Dalgleish, manager of Canadian Hardware and Implement Underwriters and other executives will locate in Toronto on February 1, but Thomas H. Purvis wil start in Toronto on January 1 as Eastern supervisor.

Canadian Hardware & Implement Underwriters was organized in Canada in September, 1920,

Insurance Agents Meet; Federation Re-elects Officers

The Canadian Federation of Insurance Agents recently held its annual meeting in Toronto with representatives present from Ontario Fire & Casualty Insurance Agents' Association, The Toronto Insurance Conference, the Western Canada Confederation of Agents' Association, and the Province of Quebec Insurance Brokers' Association. One of the chief points of discussion at the meeting was that of an agent's qualification law.

R. J. Wickham was re-elected chairman, Cecil Bethune and C. H. Hanson, vice-chairmen. Presidents of the various member associations form the executive as follows: W. M. Hargraft, president, Toronto Insurance Conference; Col. J. Innes Carling, president, Ontario Fire & Casualty Insurance Agents' Association; M. A. J. Gauthier, president, Province of Quebec Insurance Brokers' Association; Lieut.-Col. R. L. Denison, president, Western Canada Federation of Agents' Associations.

A HOPE—or a menace?

Those later years — do they hold the promise of leisure and enjoyment for you? Or is there a menace in the thought of that time when your earning power decreases and nature clamours for a let-up in the grind?

The SUN LIFE RETIREMENT BOND offers a safe and easy way to ensure that your future responsibilities will be met and your comforts provided for. And it will cost much less than you expect.

Ask any SUN LIFE representative for particulars.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia

FIRE AUTOMOBILE WINDSTORM

Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00

Agents required in Ontario

Write Eastern Branch, 2 Toronto St., Toronto, Ont.

THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA
HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70

BRANCH OFFICES
Toronto
Ottawa
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Winnipeg
Montreal
Quebec City
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ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

THE PRUDENTIAL ASSURANCE COMPANY LIMITED OF LONDON ENGLAND
LIFE FIRE CASUALTY

Total Assets of all Branches Exceed - - 1283 Million Dollars
Claims Paid Exceed - - - - - - - - - - - 1960 Million Dollars

HEAD OFFICE FOR CANADA DOMINION SQUARE BUILDING MONTREAL

The Largest Insurance Organization in the British Empire

Established 1848

HON. R. J. MANION
Minister of Railways,
OTTAWA

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THE ONTARIO EQUITABLE
PROTECTION
LIFE AND ACCIDENT INSURANCE COMPANY
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The satisfaction policyholders have in their contracts with this Company offers the basis of opportunity for its representatives. Assets exceed $8,200,000.

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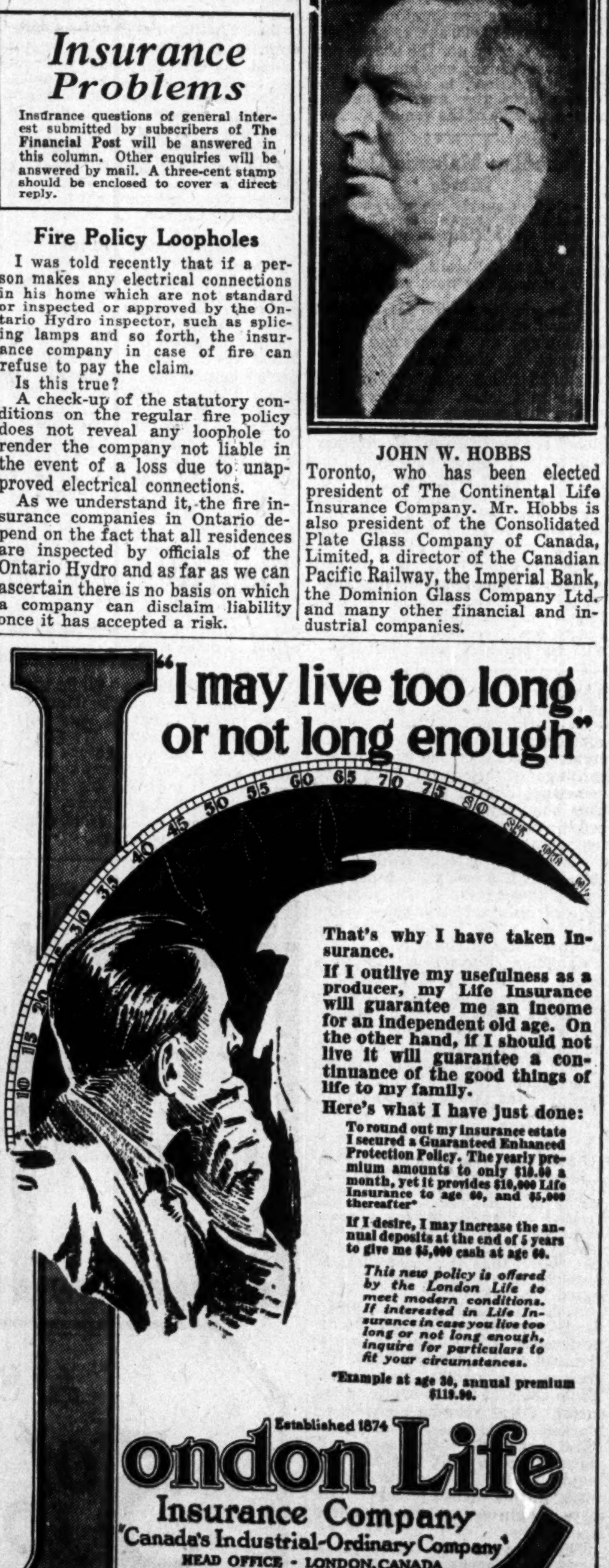
The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Assets — $49,000,000.00

Independent Order of Foresters

FRANK E. HAND
Supreme Chief Ranger

HEAD OFFICE: TORONTO, CAN.



That's why I have taken Insurance.

If I outlive my usefulness as a producer, my Life Insurance will guarantee me an income for an independent old age. On the other hand, if I should not live it will guarantee a continuance of the good things of life to my family.

Here's what I have just done:

To round out my insurance estate I secured a Guaranteed Enhanced Protection Policy. The yearly premium amounts to only $10.00 a month, yet it provides $10,000 Life Insurance to age 60, and $5,000 thereafter*

If I desire, I may increase the annual deposits at the end of 5 years to give me $5,000 cash at age 60.

This new policy is offered by the London Life to meet modern conditions. If interested in Life Insurance in case you live too long or not long enough, inquire for particulars to fit your circumstances.

*Example at age 30, annual premium $119.90.

Established 1874
London Life Insurance Company
"Canada's Industrial-Ordinary Company"
HEAD OFFICE - LONDON, CANADA

Bank Chat on Current Topics

Better Public Relations

ONE feature of the report of the Royal Commission on Banking and Currency that has not been generally recognized is the hint given to the banks to improve their public relations. Referring to the extension of par privileges on cheques the report state "It also eliminates the trouble and irritation involved in a multitude of minor charges."—"the Canadian banks might well consider whether it would not be in their interests and in the interests of the country to extend general par privileges—." Again, in discussing the charge of alleged subordination of eastern and western interests to those of the central area, the report states: "We commend to the attention of the shareholders of the Canadian banks that they should, in their own interest, consider not only a fair but generous proportion of directors from the eastern and western sections of the country and of further extending their local committees for the purpose of allaying any regional feeling of discrimination."

In view of the careful, even considerate, wording of the Commission's report, these recommendations are fairly strong. Bank men may feel that the extension of par payment privileges on cheques is not practical but do they fully realize the irritation caused by a multitude of small charges, many of which are not fully understood? The extension of advisory boards and the addition of directors more representative of the prairie provinces should prove a less difficult recommendation to put into effect.

The opinion has been expressed that the banks as a whole might strengthen their position with the Canadian public by analyzing their public relations more closely. There is more to public relations than selling the idea of the stability of the banking system as a whole and of the Canadian banks. Few large corporations but seek to strengthen their intangible asset of good-will by employing competent specialists on public relations. There is no reason to think that the Canadian banks would lose "face" by following the same procedure.

* * *

Ring Out The Old. Ring in The New

ON A conservative estimate, Canadian banks distribute over 1,500,000 calendars each year; enough calendars to supply practically every home in Canada. Within the next few weeks branches will be swamped with their quota for distribution and the 1934 edition will shortly grace (or otherwise) the walls of a multitude of offices and homes.

The Canadian Bank of Commerce calendar will pay striking tribute to the growth of Toronto; which city celebrates its centenary year in 1934. The pictorial feature of the calendar is the reproduction of a painting by J. D. Kelly which presents in the foreground the Toronto of one hundred years ago while above, in more delicate pastel shades, is depicted the Toronto of today. Drawn from a sketch by W. H. Bartlett, made in 1830, the Toronto of that day is shown as a city just emerging from the period which knew it as "muddy" York. Buildings of two and three stories lined the waterfront and carriages were in style but oxen were still used for heavy work along the wharves and log buildings were not uncommon. The skyline of present-day Toronto is in decided contrast. Few cities within the Empire can match its array of skyscrapers. Tallest of these super-buildings is the new head office of the Canadian Bank of Commerce. Clue to the names of the principal buildings on the present skyline is given in a key map printed on the reverse side of the picture.

Weekly Bank Clearings

	Nov. 23 1933 $	Change year ago %	Nov. 16 1933 $
Halifax ...	2,123,445	+16.3	1,743,761
Saint John .	1,460,039	+6.2	1,480,417
Moncton ..	736,912	+7.2	529,025
Sherbrooke.	474,146	—2.7	533,048
Quebec	3,477,841	—8.3	3,735,995
Montreal ..	98,431,254	+33.6	96,292,596
Kingston ..	485,389	+2.7	457,662
Peterborough	501,743	+3.8	592,835
Toronto ...	104,538,777	+41.0	105,170,682
Hamilton ..	3,512,914	+6.1	3,188,328
Kitchener .	919,180	+15.8	899,376
Brantford .	698,611	—1.3	619,268
London ...	2,129,048	+3.4	1,973,572
Chatham ..	500,349	—6.5	458,278
Windsor ...	2,176,780	—8.4	2,212,772
Sarnia	503,120	+16.3	341,064
Sudbury ...	569,280	+41.7	645,036
Ottawa	4,439,368	+4.0	3,697,724
Winnipeg .	50,146,310	+17.5	52,536,664
Brandon ...	272,724	—0.05	291,481
Regina	3,313,172	—2.6	3,394,329
Moose Jaw.	515,582	+4.2	487,349
Saskatoon .	1,466,164	+5.2	1,220,981
Pr. Albert.	242,475	—4.8	277,093
Edmonton .	3,427,701	+7.3	3,038,189
Calgary ...	5,359,645	—8.2	4,398,923
Medicine Hat	228,942	+13.5	172,620
Lethbridge .	359,325	+6.5	378,202
N. W'minster	365,352	+0.3	359,190
Vancouver.	14,287,880	+9.5	11,619,046
Victoria ..	1,351,346	+12.8	1,215,560

Foreign Exchange

RECOVERY of the United States dollar from the lowest levels in terms of gold this year marked foreign exchange markets in the week ended Nov. 27. At the same time the pound sterling gained against gold, as did the Canadian dollar. The recovery was brought about largely as a result of publication of views favoring currency stability in the United States.

Apparently the British equalization is operating to carry the pound toward 70 per cent of its gold value. Whether or not due to the equalization fund's operations, the price of gold has been depressed in London, thus raising the gold value of the pound. At the same time the British authorities are credited with purchases of francs, increasing gold holdings of Britain in Paris. The French budget crisis has created need for some support of the franc, if that currency is to remain on gold, it is reported.

* * *

SOMEWHAT paradoxically, the American dollar has risen in terms of gold, although the official price for the metal has not been lowered in the United States. As yet there has been no indication of cessation of the American plan to tamper with the money by setting a daily price for gold. Price-raising still appears to be the aim of the Roosevelt administration. The tide of "hard money" advocates is flowing strong, but Congressional sentiment, and presumably American public feeling, continue to favor inflation in some form.

FOREIGN EXCHANGE

New York Funds

	High (Discount)	Low	Last Year High (Premium)	Low
	%	%	%	%
Nov. 21	2 7-8	3 1-2	15 15-16	14 7-8
Nov. 22	3 3-8	3 5-8	16 1-8	15 3-4
Nov. 23	2 1-8	3 5-16	16	15 7-8
Nov. 24	1	1 1-2	16 1-2	16 1-8
Nov. 25	1 1-4	1 1-2	18 1-8	16 1-2
Nov. 27	5-8	15-16	18 1-8	17 3-4

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Nov. 21	5.38	.0646	.0871 1-2
Nov. 22	5.42	.0647	.0872
Nov. 23	5.28	.0634	.0863
Nov. 24	5.20	.0622	.0840
Nov. 25	5.19 3-4	.0619	.0834
Nov. 27	5.09	.0604	.0812

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Nov. 21	5.25	0.0625	0.0843
Nov. 22	5.21	0.0624	0.0842
Nov. 23	5.16	0.0621	0.0838
Nov. 24	5.12	0.0611	0.0825
Nov. 25	5.12	0.0608	0.0819
Nov. 27	5.05	0.0599	0.0807

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Nov. 21	0.3808	0.2229	0.3040
Nov. 22	0.3812	0.2223	0.3032
Nov. 23	0.3793	0.2214	0.3068
Nov. 24	0.3738	0.2183	0.3099
Nov. 25	0.3718	0.2170	0.3095
Nov. 27	0.3668	0.2187	0.3111

Current Events in Banking World

NFLD. DEPOSITS ARE HELD SACRED SELDOM DRAWN

Bank Failures in 1894 Led to Widespread Practice of Hoarding

Reason for the peculiar stability of Newfoundland bank deposits and an insight into the psychology of bank depositors in that Dominion are afforded in the recently issued report of the Newfoundland Royal Commission which has compiled a most comprehensive report on the economic conditions that have led up to the current crisis in Newfoundland affairs. It is reported that not even as much as five per cent of the bonds comprising the public debt are held in Newfoundland. This aversion for local investment is shared by the fisherman who prefers to hoard his savings either by hiding them in his house or leaving them on deposit in the banks.

Bank deposits are considered sacred and the report indicates that the majority of fishermen would prefer not merely to be continually in debt to the merchants but even to go on the dole rather than draw on such reserves. Deposits in the four Canadian banks which serve Newfoundland now stand at some $26,000,000. Population of the province is estimated at 282,000 which gives per capita deposits of $92. Per capita deposits in Canada are approximately $180. The greater part of Newfoundland deposits are represented by savings, yet, the Royal Commission's report states, "there is widespread poverty and, up to the commencement of the fishing season of 1933, no less than 25 per cent of the population were in receipt of government relief."

Hoarding Due to Bank Failures

This hoarding instinct on the part of the Newfoundland fishermen dates back to the banking crisis in 1894 when the failure of the Dominion's banks left the colony not only without banking facilities but without negotiable currency. Seven of the largest mercantile houses in the Dominion were involved in the general ruin. "Business was paralyzed; the most fantastic rumors were current; every man was the object of distrust and suspicion to his neighbor; misery and distress were widespread. These chaotic conditions were happily relieved by the entry into the colony of Canadian banks."

The Bank of Nova Scotia was the first to enter the Newfoundland field to be followed shortly by the Bank of Montreal. The Merchants' Bank opened a branch, now the office of the Royal Bank and later the Canadian Bank of Commerce commenced business in the island. These four banks now do most of the banking business although the Newfoundland Savings Bank also operates. Since 1895 the Canadian banks have dominated banking in Newfoundland and the currency of the island has been the Canadian dollar in place of local currency.

The distrust engendered in the confused conditions immediately succeeding the failure of the Newfoundland banks in 1894 has never been wholly dispelled, according to the commission's report. The effect on the people, unlettered and educated alike, was deep and permanent. The result has been that there has been little investment in domestic bonds and money on deposit in savings accounts is not subject to withdrawal.

Maritime Telephone Business Shows Gain

From Our Own Correspondent

MONTREAL.—Maritime Telegraph and Telephone Co. reports a seasonal drop in toll business in October as compared with the preceding month. In the more significant comparison with October last year, however, returns this year show an improvement. There were 114,153 calls during the month, of which 107,695 were completed for a percentage of 94.3.

For the first time in many months the company reports a net gain in subscribers' stations. At the end of October station installations numbered 37,922 compared with 37,940 at the close of the previous month. The Island Telephone Co., a controlled unit, also reported a gain in stations during the month, having 5,497 as against 5,488 at the end of September.

DUN & BRADSTREET OF CANADA LTD.
THE MERCANTILE AGENCY
Successors to
R. G. Dun & Co. — Established in Canada 1856
The Bradstreet Co. — Established in Canada 1872
CREDIT RATING BOOKS — FINANCIAL REPORTS
16 Offices in the Dominion

Bank of Montreal Buys Government Securities

Condensed Report for 1933 Shows Increase of $50,000,000—Current Loans Drop—Total Assets Hold—$9,000,000 Advance Under Finance Act — Profits Less

From Our Own Correspondent

MONTREAL — Contraction of current loans to the extent of nearly $50,000,000 and an increase in government securities to around the same figure; an advance of $9,000,000 from the Dominion Government under the Finance Act; a drop of about $660,000 in earnings; and the maintenance of assets at about the same figure, are features of the financial statement of the Bank of Montreal for the year ended October 31, 1933, in comparison with that for the preceding twelve months.

In the condensed statement issued by the bank, assets are shown at $768,535,908 compared with $769,166,272 a year ago. Under liabilities to the public deposits are shown at approximately the same figure as a year ago, namely, $641,346,710. Notes of the bank in circulation are down slightly at $33,819,807, while bills payable show an increase of nearly $80,000 to $180,186. Letters of credit outstanding total $6,151,280, compared with $8,343,722 a year ago.

Finance - Act Advance

Grouped under "other liabilities" is an item of $10,642,442, of which $9,000,000 represents advances from the Dominion Government under the Finance Act. No advances were shown in the 1932 statement.

Among its resources the bank reports cash on hand and in the Central Gold Reserves of $78,683,217. This is about $6,000,000 under that reported last year. Notes and cheques on other banks have shrunk over $3,000,000 to $26,953,876. Money on deposit with other banks is off over $6,000,000 to $25,334,859.

One of the principal changes in the statement is seen in the bank's holdings of "Government and Other Bonds and Debentures." This item is shown in the consolidated report at $316,967,375, up from $266,729,664 a year ago.

The increase in such holdings is reflected in a reduction of current loans and non-current loans from $302,931,269 to $251,885,262.

Call loans outside of Canada have increased during the year from $20,071,135 to $36,354,280. Call loans in Canada total $7,607,169 as against $5,157,690 on October 31, 1932.

Bank premises, real estate and mortgages on real estate show little or no change.

Profits are Lower

Liabilities to the shareholders are shown in the condensed statement at $76,317,090. This compares with $76,160,954. The increase is due to the surplus of income after providing for dividends, taxes and other charges.

The income account for the past year shows a revenue of $4,005,153, compared with $4,663,101 in 1932. Dividends to shareholders were reduced from $3,960,000 to $3,060,000. Provisions for taxes increased from $457,671 to $508,558, while reservation for bank premises remained unchanged at $100,000. As a result of the reduction in dividends, the income account shows a surplus of $336,594 as against $145,430 in 1932. This was carried forward to the profit and loss account.

French Jest Finds Way into Report

The one touch of humor in the Macmillan banking report is found on page 26 in the historical sketch of the famous Quebec "Caisses Populaires."

Evidence before the commission showed that the maximum length of mortgage loans in these banks was 10 years. In commenting on the shortness of this period as compared with the long-term mortgages prevailing in Europe, a representative of these institutions explained that the reason for this was "parce que nous considérons ici en Canada, que nous vivons plus vite qu'en Europe."

Or in plain English, that we in this country live "a faster life" than on the continent, therefore our mortgages must mature more quickly.

Incidentally, this is the only touch of French in the document.

English Observer Predicts Collapse of Gold Shares

Claims Gold of No Monetary Use But Offers No Substitute — Expects Boom to Engender Slump

With the prices of the leading gold shares showing weakness and the price of gold declining in London to around 124 shillings per ounce from a high of about 134 shillings, the appearance of "The Coming Collapse of Gold" by L. L. B. Angas, of London, England, gives investors in mining securities some unpleasant material to digest.

It will be recalled that Mr. Angas wrote "The Coming Rise in Gold Shares" in January, 1931, and "The Coming Rise in Wall Street," published in April this year. In these cases his prophecies proved correct. He showed how benefits would accrue to the gold producers and said that when the boom got under way, the wild cats would rise much higher than the leaders. He told how the promoter would become active trying to sell mining claims to the public at high prices and warned the investor against boiling markets. The cyclical boom will end, he said, when general industry and prices rise.

Asks Many Questions

Before attempting to arrive at any final conclusion he asks the following questions:

"1. Are gold shares too cheap or too dear with gold at present prices?

"2. Will United States be forced to inflate and will England have to follow suit to such an extent that not only will any existing over-valuation of the franc not be wiped out but the movement will go even further and actually increase the present price of francs in London, thereby raising the London price of gold?

"3. What will happen to gold shares if France comes off gold?

"4. What will happen to gold shares if governments revalue their present gold holdings at new and higher mint parities?

"5. What will happen to gold shares if the South African pound ceases to be pegged at par with the English pound?

"What will happen to mining profits and share prices if a rise in world commodity prices brings about a rise in costs?

"7. Is gold likely to be abandoned altogether by most or all the nations of the world?

"8. What will happen if some countries raise their mint parities; or if others go back to gold, but as a movable quotation?"

Yield Not Safe Measure

Mr. Angas suggests that the gold producers of the world are, economically speaking, wasting their efforts and says the industry extracts the gold from the earth to re-bury it in vaults in Paris, London and New York. Most of this gold is never seen twice, says Mr. Angas, and recites an imaginative story of a world central bank with all the monetary gold in the world removed to an island in the Pacific, guarded by an International fleet. The accounts of this gold are kept at a central city where the different nations are debited and credited with various amounts of gold according to international payments. Eventually an earthquake submerges the island and the fleet but the bookkeeping goes on as before although the gold is no longer deliverable.

After having advanced objections to the gold standard and having attempted to relate them to the state of Europe and America today, he returns to the gold shares themselves and attempts to summarize the major factors which will govern their ultimate trend.

The protagonists of the gold shares are convinced, according to Mr. Angas, that a reaction in the industry is yet a long way off. They base their optimism on the argument that yields must tell. While the gold shares are giving high yields the industrials are still giving low yields, and they claim there must be a further rise in gold shares to bring about a price equilibrium. He says, however, that this is not necessarily so as in the rubber boom of 1925 and the tin boom in 1926 yields were well over 80 per cent and yet share prices fell into their cyclical decline. The peak of a boom can never occur except at a time when it is least expected, according to Mr. Angas, for as soon as doubts spread as to future prosperity, those who have bought early will begin to take profits. Mr. Angas concludes his "Coming Collapse in Gold" with the following observations:

Watch Vital Factors

"The time to sell out from a booming group of shares is either when they have become too dear on analysis or when the first signs of internal deterioration appear within the industry itself.

"If deterioration should appear before shares have reached a low yield basis let that not influence the investor against selling out. Let him realize that a four per cent extra current yield above the average of the stock exchange, will not compensate him for the 20 per cent or 30 per cent loss such as is likely to eventuate as soon as the deterioration within the industry, hitherto imperceptible, has come to be more generally recognized by the public.

"Looking back over economic history it is always easy to discern the reasons why some particular industry has boomed or slumped in the past. These reasons are always a simple matter of either changing supply and demand or changing costs, which later on stand out clearly in their grand perspective after all the side issues, exciting at the time, have faded into oblivion.

"It should therefore be possible for a clear-headed economist today, when the gold mining industry is in a puzzling condition, to pick out among the various forces of supply, demand and costs, those factors which will ultimately determine the future of profits. The simplest forces are usually the most powerful and it is these which it is most desirable to discern and to view in their proper perspective.

"Expect a boom to engender a slump unless you can see irresistible arguments against it."

Some Altering Factors

After telling of the factors foreboding the collapse of gold, Mr. Angas proceeds to soften the blow by telling of the possible factors which might cause a rise in gold shares. These he enumerates as follows:

"1. Mining inventions leading to lower cost production.

"2. A decision among mining companies to produce as much actual gold as possible by immediately working the highest grade ore, instead of the lowest, so as to sell as much gold as possible at present high prices, instead of reducing production, as results from working low grade ore and keeping more gold in the ground to sell when prices are once more low.

"3. A fall in sterling, due to a growing distrust of sterling and a flight from sterling to francs.

"4. A fall in franc prices while sterling prices were constant or rising, leading to appreciation of francs against sterling.

"5. Decline of sterling due to President Roosevelt's buying sterling in order to buy francs so as to withdraw gold from the Bank of France.

"6. England depreciating sterling via the Exchange Equalization Fund in order to follow the dollar and protect her export trade.

"7. The raising by France of mint price of gold in order to avoid losing her gold to United States and being undercut in her export trade by devaluated dollars and sterling.

"8. A world devaluation race in which all countries, including England, try to fix a lower gold content for their currencies, culminating in stabilization of all currencies at higher prices for gold."

Bank debits in October gained 19.3 per cent over the total recorded in October, 1932. Volume was $2,823,400,000 as compared with $2,367,200,000 in October, 1932. Gains were recorded in each of the five economic areas although debits in the Maritime provinces showed only a slight gain of 0.7 p.c. Quebec gained 11.2 p.c.; Ontario, 37.5 p.c.; Prairie Provinces, 3.8 p.c. and British Columbia, 7.1 p.c.

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Old Egg Gradings Vanish New Regulations are A-B-C

From Our Own Correspondent

OTTAWA. — Gradual improvement in the quality of egg production over the past 15 years has resulted in a complete overhaul of the Federal egg grading regulations. The new regulations came into force last week and while the produce trade is experiencing some confusion the new system is meeting with general approval throughout the country.

When egg grading was introduced in 1915 the grades decided upon were extras, firsts and seconds. At that time the quality of production was not very good and there were comparatively few extras in relation to the total output. The ordinary good quality egg would more likely grade a first than an extra so that the apparent anomaly of having a grade superior to firsts was not important.

In succeeding years, and almost certainly because of grading, the quality of the production has improved and in recent years a large proportion of eggs coming on the market have been extras. This tended to make the grades confusing and there was the additional weakness in the old regulations that unless eggs weighed 24 ounces to the dozen they were not eligible for the top grade. It is well known that eggs may be of superlative quality and weigh less to the dozen. Pullets' eggs are a case in point.

For these reasons the regulations have been revised. In future there will be three grades to be designed as A. B. and C. The standards for each of these grades are practically the same as for the old grades with the exception that there may be three classes of grade A eggs. The three classes are large, medium and pullet.

Loblaw Sales Gain Again Ratio Profit to Sales High

Sales of Loblaw Groceterias Co. totalled $1,081,935 in the four weeks ended October 21, an increase of $27,000 over the preceding period, but a decrease of $20,166, or 1.83 per cent, from sales in the corresponding period of 1932. In the four weeks ended October 21, profit amounted to $56,492 the largest profit of any period in the current fiscal year but a decrease of 20 per cent from profit in the corresponding period of 1932. During the last four four-week periods the ratio of profits to sales has increased from 4.3 per cent to 5.2 per cent.

Sales from June 1, to October 21, 1933, totalled $5,116,053 as compared with $5,246,249 in the corresponding period of 1932, a drop of 2.48 per cent. Profit totalled $251,669 as compared with $306,226 in the 1932 period a decline of 17.82 per cent. Ratio of profit to sales for 1933 to date is 4.9 per cent as compared with 5.85 per cent in the same period of 1932.

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter. 1727)
Capital (fully paid) £ 3,780,192
Reserve Fund ..... £ 3,780,926
Deposits £55,898,683
General Manager
Sir Alexander K. Wright, K.B.E., D.L., LL.D.
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EDINBURGH
250 BRANCHES IN ALL
Associated Bank:
Williams Deacon's Bank Ltd.
(Members of the London Bankers' Clearing House)

Imports from the United Kingdom in October totalled $10,518,000 and were the largest in one month since May, 1931. Increase over October, 1932 was 27 per cent.

BANK OF MONTREAL

Established 1817

A presentation, in easily understandable form, of the Bank's

ANNUAL STATEMENT

31st October, 1933

LIABILITIES

LIABILITIES TO THE PUBLIC	
Deposits *Payable on demand and after notice.*	$641,346,710.12
Notes of the Bank in Circulation *Payable on demand.*	33,819,807.50
Bills Payable *Time drafts issued and outstanding.*	258,578.04
Letters of Credit Outstanding *Financial responsibilities undertaken on behalf of customers (see off-setting amount [x] in "Resources").*	6,151,280.54
Other Liabilities *Items which do not come under the foregoing headings, including $9,000,000 advances from the Dominion Government under The Finance Act*	10,642,442.25
Total Liabilities to the Public	692,218,818.45
LIABILITIES TO THE SHAREHOLDERS	
Capital, Surplus and Undivided Profits and Reserves for Dividends *This amount represents the shareholders' interest in the Bank, over which liabilities to the public take precedence.*	76,317,090.20
Total Liabilities	$768,535,908.65

RESOURCES

To meet the foregoing Liabilities the Bank has	
Cash in its Vaults and in the Central Gold Reserves	$ 78,683,217.88
Notes of and Cheques on Other Banks *Payable in cash on presentation.*	26,953,876.82
Money on Deposit with Other Banks *Available on demand or at short notice.*	25,334,859.87
Government and Other Bonds and Debentures. *Not exceeding market value. The greater portion consists of gilt-edge securities which mature at early dates.*	316,967,375.69
Stocks *Railway and Industrial and other stocks.*	514,911.33
Call Loans outside of Canada *Secured by bonds, stocks and other negotiable securities of greater value than the loans and representing moneys quickly available with no disturbing effect on conditions in Canada.*	36,354,280.98
Call Loans in Canada *Payable on demand and secured by bonds and stocks of greater value than the loans.*	7,607,169.32
Bankers' Acceptances *Prime drafts accepted by other banks.*	111,293.01
TOTAL OF *QUICKLY* AVAILABLE RESOURCES *(equal to 71.15% of all Liabilities to the Public)*	492,526,984.90
Other Loans *To manufacturers, farmers, merchants and others, on conditions consistent with sound banking.*	251,885,262.61
Bank Premises *Three properties only are carried in the names of holding companies; the stock and bonds of these companies are entirely owned by the Bank and appear on the books at $1.00 in each case. All other of the Bank's premises, the value of which largely exceeds $14,500,000, appear under this heading.*	14,500,000.00
Real Estate and Mortgages on Real Estate *Acquired in the course of the Bank's business and in process of being realized upon.*	1,732,750.77
x Customers' Liability under Letters of Credit *Represents liabilities of customers on account of Letters of Credit issued by the Bank for their account.*	6,151,280.54
Other Assets not included in the Foregoing	1,739,629.83
Making Total Assets of	768,535,908.65
to meet payment of Liabilities to the Public of	692,218,818.45
leaving an excess of Assets over Liabilities to the Public of	$ 76,317,090.20

PROFIT and LOSS ACCOUNT

Profits for the year ending 31st October, 1933		$ 4,005,153.59
Dividends paid or payable to Shareholders	$3,060,000.00	
Provision for Taxes, Dominion Government	508,558.81	
Reservation for Bank Premises	100,000.00	3,668,558.81
		336,594.78
Balance of Profit and Loss Account, 31st October, 1932		1,248,856.50
Balance of Profit and Loss carried forward		$ 1,585,451.28

CHARLES B. GORDON,
President

W. A. BOG,
JACKSON DODDS,
Joint General Managers

* * *

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Dividends Paid in 1933 20.2 p.c. Under 1932 Level

Distribution By Ford Motor Co. Brings December Total to $19,618,000 Practically Equal to That in December, 1932; Dividend Disbursements Down 54 p.c. From 1930 Total

Dividends declared for payment during December total $19,780,000 which compares favorably with the $19,859,000 disbursed in December, 1932. Declaration of a dividend of $1 per share by Ford Motor Co. of Canada which increases the dividend total for December by $1,658,960 is the outstanding feature for the month and brings the December, 1933, total practically up to the total for the same month of the preceding year. The last dividend paid on Ford stock was paid in June, 1931.

November, a month in which few companies pay dividends, was the first month in three years that dividends paid were not well below the total paid in the corresponding month of the preceding year.

In addition to the Ford dividend, new payments include an interim dividend of $1 per share of the common stock of Toronto Elevators Ltd. and an interim dividend of 60 cents per share on stock of Bulolo Gold Dredging. No reduction in dividends payable in December have been announced.

Dividends paid by Canadian companies during 1933 will total some $131,253,000 as compared with $164,650,000 paid in 1932 and $226,351,000 paid in 1931. The record of dividend payments by months in 1933 and 1932 is as follows:

	1933 $	1932 $	1931 $
Jan. ...	13,850,000	20,401,000	27,959,000
Feb. ...	3,335,000	4,095,000	5,101,000
Mar. ..	16,754,000	18,945,000	24,377,000
Apr. ...	11,602,000	21,274,000	32,127,000
May ...	2,931,000	4,675,000	5,301,000
June ..	17,497,000	19,343,000	28,899,000
July ...	12,672,000	16,008,000	21,908,000
Aug. ..	3,260,000	4,322,000	4,967,000
Sept. ..	14,271,000	16,049,000	19,765,000
Oct. ...	11,807,000	15,957,000	24,452,000
Nov. ...	3,656,000	3,652,000	4,756,000
Dec. ...	19,618,000	19,859,000	26,739,000
Total ..	131,253,000	164,650,000	226,351,000

Payments in 1933 represent a drop of 20.2 per cent from the amount paid in dividends by Canadian companies in 1932 and a drop of 54 per cent from the total of $284,642,000 paid out during 1930. Payments in 1932 were 27.2 per cent under payments in 1931.

Dividends declared for payment during December by Canadian companies are as follows:

Summary of Payments

	$
Dividends	19,780,791
Bond interest	30,443,981
Total	50,224,772

Dividend Payments

Company	Rate	Date	Amount $
Andian National ...	$1 s.	15	2,550,000
Bk. Can. Nationale	$2.50 q.	1	175,000
Bank of Montreal ..	$2 q.	1	720,000
Bank of Toronto ...	$2.50 q.	1	150,000
Beld.-Corticelli, pfd.	1¾ q.	1	150,000
Buffalo Ankerite ..	3c.	15	15,788
Bulolo Gold Dredg. .	*60c.	4	459,000
Can. Malt. (No. 24)	37½c. q.	15	74,614
Canada Vinegars ..	40c. q.	1	36,800
Can. Bk. of Com. ...	$2 q.	1	600,000
Can. Hydro, 1st pfd.	1½ q.	1	187,500
Cons. Div. Std. Secs. pfd.	25c.	15	11,225
Crow's Nest Coal ...	$2	11	124,252
East. Theatres, com.	50c. q.	1	16,000
Ford Motor	$1	21	1,658,960
Hollinger Gold	5c.	2	246,000
Ham. Un. Theatres pfd.	$1¾ q.	30	13,787
Imp. Oil (No. 39)	12½c. q.	1	3,347,886
Imp. Tobacco, com.	8¾c. q.	30	826,965
Intern. Milling 1st pfd.	$1.75 q.	1	60,026
Do. "A", pref. ..	$1.50 q.	1	13,359
Intern. Petroleum (No. 39)	28c. q.	15	4,010,744
Do., pref.	28c. q.	15	56,000
Intern. Proprietaries "A"	65c. q.	15	145,122
Lake Shore Mines .	50c. q.	15	1,000,000
Do., extra	50c.	15	1,000,000
Laura Secord	75c. q.	1	43,125
Loblaw Grocet. "A" & "B"	20c. q.	1	167,605
McColl Fron. c.	15c. q.	15	75,000
McIntyre Porc. M. .	25c. q.	1	199,500
Do., extra ..	12½+12½c.	1	199,500
Mont. Cottons, pfd.	$1.75 q.	15	52,500
Mont. Loan & Mtge.	3 q.	15	18,000
N. S. Lt. & Pr., pfd.	1½ q.	1	18,750
Ogilvie Flour, pfd.	$1.75 q.	1	35,000
Provincial Bank ...	$1.50 q.	1	60,000
Reliance Grain, pref.	1⅝ q.	15	32,500
Rolland Paper, pref.	$1.50 q.	1	22,500
Royal Bank	$2 q.	1	700,000
Royalite Oil	50c.	20	250,000
Siscoe Gold Mines ..	3c. q.	30	137,401
Do., bonus	2c.	30	91,601
Sterling Pac. Oil .	2½c.	22	23,122
Toronto Elevators, c.	*$1	1	25,000
Walker-Good., pref.	25c. q.	15	115,517
Total			19,780,791

*.Interim.
q.—Quarterly.
s.—Semi-annually.

BOND INTEREST DUE IN DECEMBER

Company	Rate	Date	Due	Amt. $
Adel.-Peter Bldg. .	6¼	1	1948	11,196
Alta. Pac. Grain .	6	1	1946	80,970
Auditorium	6½	1	1944	9,236
Barcelona Tr. 1st mtge	5½	1	1974	224,479
Bawlf Terml. "B"	6	1	1942	6,150
Bell Tele. "B" ...	5	1	1957	750,000
B.C. Tele. "A" ...	5	1	1960	250,000
Canada Paper "A"	6	4	1945	46,770
C.N.R. (Dom. Can.)	4¾	15	1955	1,187,500
Do.	4½	1	1968	787,500
Can. Nor. Rly. 1st mtge.	4	1	1939	160,600
Do., Alta., gtd. .	4	1	1939	111,732
Do. gold deb. ...	7	1	1940	832,265
Can. N. West. Rly.	4½	1	1942	144,540
C.P.R. Trust (Gold)	5	1	1954	750,000
C.P.R. Note Cert.	4½	15	1944	484,278
Cons. Press	6½	1	1949	18,973
Consumers' Glass .	5	1	1948	31,012
Deer Park Manor .	7	1	1940	5,040
Frontenac Brew. .	6	1	1951	26,187
400 Avenue Road .	7	1	1946	9,814
For. Pow. Secs. "A"	6	1	1949	130,965
Gatineau Power ..	5	1	1956	1,756,662
Do., S.F. debs. ..	6	15	1941	324,615
H. Smith Pap. "A"	5½	1	1953	186,725
Ind. Accept. "A" .	6	1	1940	28,155
Inv. Bond & Sh. "A"	5	1	1947	58,025
Lake & Rail Ware, "A" & "B"	6	1	1951	54,810
Loew's, Marcus ...	6	1	Serial	2,580
Lon. Can. Inv. "A"	4½	1	1948	100,838
Maple Leaf Mill ..	5½	1	1949	127,063
Matapedia Val. L.	6½	1	1944	9,633
Montreal Coke "A"	5½	1	1947	105,270
Montreal Apts. ...	7	1	1938	21,542
Mt. Royal Hotel ..	5½	1	1947	97,900
Nat. Paper Box .	6½	1	1936	3,250
N. Que. Pr. "A" ..	6	1	1945	79,500
N.S. Light & Pr. .	5	1	1958	106,612
Power Corp. "A"	5	1	1957	56,905
Quebec Power	5	1	1968	293,390
Ritz Carlton Hotel	5	1	1942	16,187
Riverside Iron ...	7	1	1947	7,087
Rolland Paper "A"	5½	1	1948	65,848
Shaw Cotton	6	1	1949	22,605
St. Maur Val. Cot.	6	1	1952	55,707
Standard Clay ...	6	2	1942	14,595
St. Regis Paper ..	6½	1	Serial	29,250
Wabasso Cot.	6	1	1947	22,530
Windsor Arms	6½	1	1947	11,375
Windsor Htl. "A"	6	1	1947	30,969
Windsor Htl., S. Ste. Marie	6½	1	1950	10,562

Corporation bonds	9,758,897
Municipal bonds	5,849,647
Provincial bonds	5,101,646
Dominion loans	9,733,791
Total	30,443,981

UNITED FUEL SHOWS IMPROVED EARNINGS

Working Capital Position Better — Gains in Past Four Months

Improvement in net earnings and working capital is reported for United Fuel Investments Ltd. for the seven months ended October 31 as compared with the same period of 1932. October was the fourth successive month to show improvement over the corresponding period of 1932. Net earnings in October were $42,351 in excess of net earnings in October, 1932, and increase for the seven months period is $115,000.

Bank loans are stated to be about one third of the total as at October 31, 1932, and there has been net gain in working capital of $158,000. It is believed that improvement in position of the company should continue for the balance of the fiscal year, which ends March 31, provided that average temperatures prevail throughout the winter.

Casey Summit Mines Cut High Grade Vein

The Casey Summit Gold Mines has cut the No. 2 vein in the shaft at a depth of 156 ft., according to official information from R. G. Williamson, president and general manager of the company. At the point of intersection the vein showed a width of four ft. and gave an average assay of 2.13 ounces of gold per ton, equivalent at normal prices to $44 per ton.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING NOVEMBER 27

Range 1933 High	Range 1933 Low	Divd. Rate in $	Yield in % Nov. 26		Sales	Close Nov. 20 (or last)	Week Ending —Nov. 27— High	Low	Close
				A					
4.00	.25		...	Abitibi	6085	1.40	1.50	1.25	1.25
10	1		...	Do. pref. 6%	3225	6½	6½	6	6½
x80	80		...	Acme F. D'y p.	....				
8	4		...	Agnew Surp.	....	6			
67	57½	2	11.2	Do. pref. ...	10	62	62½	62½	62½
10	2½		...	Alta Pac. Gr.	25	3	3½	3½	3½
40	15		...	Do. pref. ...	....	15			
1	1		...	Amal. Electric	....	1			
10	3		...	Do. pref. ...	....	10			
x3½	3½		...	Anglo. N. Hold.	....				
1.00	.15		...	Asbestos	....	1.00			
2	½		...	Do. pref. ...	....	2			
15	3½		...	Assoc. Brew. ...	105	10	9½	9	9
90	65	7	7.8	Do. pref. ...	5	82	90	90	90
x3	3		...	Assoc. Can.	....				
x69	65		...	Assoc. Tele.	....				
				B					
155	127	10	7.1	Bk. Can. Nat.	23	142	140	140	140
221	150	8	4.4	Bk. Montreal	170	188	186	177	180
285	228	12	4.4	Bk. N. Scotia	115	275	274½	270	270
215	151	10	6.3	Bk. Toronto	248	177	175	155	160
17	10		...	Barcelona	....	17			
8	1		...	Bathurst Pr.	....	3½			
2	1		...	Do. (B)	63	1⅝	1½	1⅝	1½
†26	26		...	Bawlf Grain	....				
20	6		...	Do. pref. ...	50	6	6	6	6
7	3		...	Beath & Sons.	....	5½			
15	3½		...	Beatty Bros. A	20	5	4	3½	3½
72	53	6	8.8	Do. pref. ...	20	68½	68	68	68
8½	3½		...	Beauharnois	1118	4	4½	3½	3½
60	50	4	6.7	Belding Cort.	....	60			
89½	85½	7	7.8	Do. pref. ...	....	89½			
120½	80	6	5.4	Bell Telephone	684	110	111	109	111
9	3½		...	Biltmore Hats.	....	8½			
76	62	7	9.2	Do. pref. ...	....	76			
4	2		...	Bissell, T. E.	....	2			
†97	88		...	Do. pref. ...	....				
6	1		...	Blue Ribbon	25	3	2½	2½	2½
23	10	2	9	Do. pref. ...	10	22	22½	22½	22½
22½	18½	2	8.9	Brant. Cord. pf	....	22½			
19	7		...	Brazilian Tr.	13897	11½	11⅝	10¾	11⅝
3.85	.55		...	Brew. & Distil.	8965	2.25	2.30	2.00	2.20
12	½		...	Brewing Corp.	1191	4½	4½	4½	4½
19	¾		...	Do. pref. ...	598	13	13⅛	12½	13
12	10		...	Bright, T. G. c.	....	11			
16	7½	80c	5.7	Brit. Amer. Oil	4527	14½	14⅝	13½	13½
8	1		...	B. C. Packers	640	2½	2½	2½	2½
20	6		...	Do. pref. ...	....	13			
28	14	2	9	B. C. Power A.	1220	22	22½	21½	21½
6½	3		...	Do. (B)	130	4½	4½	3⅝	4½
24	3		...	Bruck S. Mills	1205	17½	18	16½	17
21	10½	1	6.2	Building Prod.	40	16	16	16	16
38½	20	2	6.7	Burt, F. N.	190	30	30½	30	30
				C					
x125	120	6	...	Calgary Pr.	....				
9½	1½		...	Canada Bread.	235	3½	3½	3½	3½
75	30		...	Do. pref. A	....	40			
31	8		...	Do. pref. B	20	8	10	10	10
18	5½	60c	6.8	Canada Bud	1460	9½	9⅞	8⅞	8⅞
10⅞	2½		...	Canada Cement	1130	5½	6	5½	5½
45½	12		...	Do. pref. ...	102	28	28	26	28
b41½	7½	1	3.7	Canada Dry	3600	28½	28	25½	25½
8	2		...	Can. Forg. (A)	....	4			
x7½	2		...	Do. (B)	....				
x15	15		...	Canada Iron	....				
†80	75	3	...	Do. pref. ...	....				
*425	405	20	4.9	Canada Life	....	405			
40	13½	1.50	5.3	Can. Malting	785	29	28½	27⅞	28½
17¾	12	80c	4.5	Can. Nor. Pr.	1835	17	17¾	17	17¾
92½	65	7	7.6	Do. pref. ...	17	91½	92½	92	92½
.25	.05		...	Can. Paving	....	.10			
10	4		...	Do. pref. ...	....	5½			
165	120	8	5.7	Can. Perman.	2	140	140	140	140
3½	¾		...	Can. Steamsh's	25	1	1	1	1
9½	2		...	Do. pref. ...	5	2	2½	2	2½
26	13½	1.60	7.5	Can. Vinegars	225	20½	21½	20½	20½
30	25		...	Can. W. Cable	....	25			
15	7		...	Do. (B)	10	11	9	9	9
2½	2		...	Can. Bakeries	....	2½			
10½	5		...	Do. pref. ...	....	10			
176	119	8	5.9	Can. Bk. Com.	330	131½	134	131	134
25	9	60c	3.7	Can. Bronze	....	16½			
98	70	7	7.1	Do. pref. ...	....	98			
10½	2½		...	Can. Canners	....	5½			
81	48	6	7.8	Do. 1st pfd.	16	77	77	77	77
14	3½	20c	2.1	Do. 2nd pfd.	135	9½	9½	9½	9½
11⅜	3		...	Can. Car & F'y	890	5	4½	4⅝	4½
19½	9½		...	Do. pref. ...	255	11½	11½	11	11
28½	6½		...	Can. Celanese	125	21	20	19	19
112	70	7	6.9	Do. pref. ...	60	102	102	102	102
35	8	2	6.8	Can. Convert.	....	29½			
49	15		...	Can. Cottons	134	34	34	34	34
80	45	6	7.5	Do. pref. ...	25	75	80	80	80
22½	10		...	Can. Dredge	150	18½	18½	17½	17½
90	85	7	7.8	Do. pref. ...	20	85½	90	90	90
80	79	6	7.5	Can. Fairb. pf.	....	80			
9½	2		...	Can. For. Inv.	....	6			
80	35	8	...	Do. pref. ...	....	78			
140	100	3	2.5	Can. Gen. Elec.	....	120			
60½	50	3.50	5.8	Do. pref. ...	76	60	60½	59	60½
6½	4		...	Can. G. Inv. T.	....	6½			
65	34	6	12	Can. Hyd. E. p	124	53	51	50	50
40	1½		...	Can. Ind. Alc.	16632	16½	16	12⅞	15
39	.90		...	Do. (B)	2736	15½	14½	11	13⅞
106	75½	3.50	3.3	Can. Industries	....	106			
125	125	7	5.6	Do. pref. ...	....	125			
†5.00	3.95		...	Can. Int. I. Tr.	....				
†70	64½		...	Do. pref. ...	....				
21	21	1	4.8	Can. Lt. & Pr.	....	21			
b3⅜	1½		...	Can. Marconi	2600	2⅛	2¼	2¼	2⅜
20	6½	50c	4.2	Canadian Oil	95	12½	12½	12	12
97	79	8	8.5	Do. pref. ...	....	94			
21⅜	9		...	Can. Pacific	8699	12½	13	11⅞	12½
3	1		...	Can. Vickers	....	2½			
7½	5		...	Do. pref. ...	....	7½			
49	46	2	4.1	C. West'ghouse	....	49			
9½	1½	20c	3.3	Can. Wineries.	1380	6	6½	6	6
10	3		...	Can. Wire Box	50	9½	10	10	10
10	5½		...	Catelli Mac A.	150	9	9	9	9
2	1		...	Do. (B)	....	2			
245	245	8	3.3	Cent. Can. L'n	....	245			
2.35	.50		...	Chem. Research	30500	2.21	2.28	2.00	2.05
12½	9½		...	City Gas & Elec	123	10	10	9½	10
1.60	.20		...	Claude Neon	1955	.40	.50	.40	.50
15½	3		...	Cockshutt Plow	200	7½	7⅞	7½	7⅞
9	½		...	Comm. Alcohol	50	3½	3½	3½	3½
5	1		...	Conduits ..	....	5			
†94	84		...	Do. pref. ...	....				
16½	2		...	Cons. Bakeries	150	10	8½	7⅜	7⅜
5	½		...	Cons. Indust.	....	1½			
6⅜	1½		...	Cons. Paper	648	2½	2⅜	2	2⅜
12	3		...	Cons. Press	20	7	7	7	7
x35	30		...	Cons. Sand pf.	....				
144	54	10%▲	...	Cons. Smelters	1251	136	136	130	130
190	170	10	5.5	Consumers' Gas	267	182	182	180	180
†20½	15		...	Corpor. Steel	....				
‡90	90		...	Corr. P. Box p.	....				
8	1½		...	Cosgrave Brew.	155	4½	4½	4⅝	4½
10	2		...	Cosmos Imp.	35	7½	7½	7½	7½
80	39	3.50	4.4	Do. pref. ...	25	80	80	80	80
6½	1½		...	Crown Dom. Oil	5	3½	3	3	3
20	8	2	...	Crow's N. Coal	140	15	20	18½	18½
				D					
2	1		...	David & Fre. B	....	1			
5	5		...	Do. (A)	....	5			
†12½	12½		...	De Havilland	....				
19	18		...	Do. pref. ...	....	18			
†9	5		...	Disher Steel	....				
17	17		...	Do. pref. ...	....	17			
52½	4		...	Distill-Seagram	5460	20½	20½	16⅞	19
7	5		...	Dodge (A) pf.	....	7			
2	2		...	Do. (B)	....	2			
175	124	10	7.5	Dom. Bank	60	136	135	132	135
34	13½	2	7.9	Dom. Bridge	498	25½	26	24½	25
10	3½		...	Dom. Coal	....	8			
26	8		...	Dom. Engineer	400	18	20	20	20
90	35	5	6	Dom. Glass	41	80	83	80	83
115	98	7	6.2	Do. pref. ...	10	113	112	112	112
5½	1		...	Dom. Motors	270	1½	1⅝	1½	1½
2⅜	¾		...	Dom. Pr. Stubs	....	¾			
6	½		...	Dom. St. & C B	1076	2	2½	2	2
27½	12½	1.20	5.3	Dom. Stores	490	22½	23	22½	22½
6½	1		...	Dom. Tar & Ch.	525	1½	2½	2½	2½
27	5		...	Do. pref. ...	25	15	10	10	10
69½	39	4	6.2	Dom. Textile	192	65	65	64½	64½
113	93½	7	6.2	Do. pref. ...	....	112½			
7½	4		...	Dryden Paper	295	4½	5	4½	5
5	1		...	Duff. Paving	5	2½	3	3	3
30	5		...	Do. pref. ...	....	28			
				E					
3	3		...	East. Koot. Pr.	....	3			
†97	94½		...	Do. pref. ...	....				
7	1½		...	East. Dairies	....	3			
14	4½		...	East. Steel	25	5	5	5	5
76	75	7	9.2	Do. pref. ...	....	76			
‡34	34	2	...	East. Theatres	....				
70	65	7	10.8	Do. pref. ...	....	65			
4	1		...	Easy Washer	....	1			
15½	7	37½c	...	Economic Inv.	....	15			
†15	15		...	Edmonton D'y.	....				
†80	78½	6.50	...	Do. pref. ...	....				
3	½		...	Enam. & Heat.	....	2½			
19	5½		...	Eng. Electric	45	12	12	12	12
10	1½		...	Do. (B)	....	10			
				F					
15	4		...	Fam. Players	....	15			
10	8		...	Do. Vot. Tr.	....	10			
15	8½	1	8.7	Fanny Farmer	25	12½	12	11½	11½
29½	23	2.40	8.1	Do. pref. ...	....	29½			
†83½	75		...	Firstbrook Box	....				
21	6	1	...	Ford Motors A	14298	12	13½	12	13½
5	1½		...	For. Pr. Secs.	....	1½			
10½	5		...	Foundation Co.	35	10	10	10	10
90	90		...	Fr & For Inv p	....	90			
3	3		...	Frost Steel	5		3	3	3
40	40		...	Do. pref. ...	....	40			
				G					
6.50	.70		...	Gen. St. Wares	100	2.50	2.62	2.50	2.50
18	12½		...	Do. pref. ...	....	12½			
114½	40	2.40	2.6	Goodyear Tire.	115	95	91	91	91
108	80	7	6.7	Do. pref. ...	10	104	105	104	105
†93½	93½		...	Gould Pumps p	....				
3	½		...	Gt. W Saddlery	....	1			
15	5		...	Do. pref. ...	....	12½			
16½	4		...	Gurd, Chas.	105	5½	5½	5½	5½
100½	100	7	6.9	Do. pref. ...	....	100½			
7½	1⅜		...	Gypsum, Lime.	190	3½	3½	3½	3⅜
				H					
12	2½		...	Ham. Bridge	110	5½	5½	5½	5½
40	20		...	Do. pref. ...	....	20			
13½	4		...	Ham. Cot. pf.	....	12			
5	1		...	Ham. U. Theat	....	1			
60	46	7	11.7	Do. pref. ...	....	60			
‡50	50		...	Hillcrest Coll.	....				
‡91	91		...	Do. pref. ...	....				
8	2		...	Hinde & Dauch	85	5	5½	5½	5½
†75	75		...	Holt Renfrew	....				
‡96½	90		...	Do. pref. ...	....				
3.75	.37		...	Honey Dew	....	.90			
17	5		...	Do. pref. ...	....	7			
9½	1½		...	H. Smith Pap.	100	5½	4½	4½	4½
40½	8		...	Do. pref. ...	20	33	33	31	31
25	14½	2	8	Humberstone S	30	25	25	24½	25
14	4½	50c	5.6	Hunt (A)	....	8½			
10	5	50c	4.5	Do. (B)	....	8½			
102	75	6	7.7	Huron & E. M.	....	78			
18	12		...	Do. 20% pd.	15	15½	12	12	12
10	6		...	Hydro Electric	....	10			
				I					
185	123	10	6.9	Imperial Bank	46	136	144	136	144
16	7½	50c	3.5	Imperial Oil	21666	14⅜	15½	13⅞	14⅞
11½	7	35c*	3.3	Imperial Tob.	2888	10⅝	11½	10⅝	10⅝
17	17		...	Inter. City Bak.	....	17			
5½	5½	1	...	Inter'c Coal	....	5½			
b13½	2½		...	Int. Hyd. E. A.	850	5	5½	4½	5½
105	98	7	7	Inter. Mill. pf.	15	100	100	100	100
90	82	6	7	Do. Series A.	....	85			
23.25	8.00		...	Inter. Nickel	81583	21.90	22.25	20.45	20.70
x4	4		...	Inter. Paints	....				
b10	½		...	Int. P. & P. A	800	3½	4	3½	4
b5½	½		...	Do. (B)	100	1½	1½	1½	1½
b4	½		...	Do. (C)	1700	1⅜	1½	1½	1½
b22½	2		...	Do. pref. ..	1500	10	10½	9½	9½
22½	10⅝	1	4.7	Inter. Pete.	17573	21⅝	22½	19½	19⅝
5	2		...	Inter. Power	....	2			
24	8		...	Do. pref. ...	....	17			
13½	3⅜		...	Int. Util. (A)	....	4½			
4½	½		...	Do. (B)	1060	½	1	1	1
				J					
†40	40	1	...	Jam. Pub. Ser.	....				
95	70	7	7.4	Do. pref. ...	....	95			
				K					
7½	¾		...	Kelvinator	20	3	3	3	3
80	55	7	8.9	Do. pref. ...	5	78	78	78	78
				L					
18½	5		...	Lake of Woods	205	10½	11	10	10
70	30		...	Do. pref. ...	1	65	55	55	55
85	80	6	7.5	Landed Bank	....	80			
25	25		...	Langley's pfd.	....	25			
49	36	3	6.1	Laura Secord	100	48	49	48	49
7	1½		...	Lindsay, C. W.	....	7			
85	25		...	Do. pref. ...	....	35			
21½	10½	80c	5.4	Loblaw (A)	2026	14½	15	14½	14⅞
21	10½	80c	5.3	Do. (B)	75	14½	15	14½	14⅞
				M					
7	2		...	MacKin. Steel	50	7	6	6	6
†95	90		...	Do. pref. ...	....				
3½	3½		...	Manitoba Pr.	....	3½			
10½	2		...	Maple Leaf	270	5½	2½	2	2½
25	5		...	Do. pref. ...	10	16	6	5½	5½
6	6		...	Marcus Loew's	....	6			
65	35		...	Do. pref. ...	4	60	58	58	58
12	2⅜		...	Massey-Harris	2300	4½	5	4	4
15	7	60c	5.3	McColl Fron.	1921	11½	11½	11½	11½
82	54½	6	8.3	Do. pref. ...	25	72	72	70	72
27	5		...	Melchers (A)	460	11½	11½	9½	10
14	6		...	Do. (B)	115	7	7	6½	6½
†45	35		...	Mexican L & P	....				
‡35	35		...	Mercury Mills	....				
‡89	58½		...	Do. pref. ...	....				
†40½	40		...	Mitchell, J. S.	....				
x105	105	7	...	Do. pref. ...	....				
17½	2		...	Mitchell, Robt.	....	6			
†1	1		...	Monarch Knit.	....				
50	20		...	Do. pref. ...	....	45			
28	18		...	Montreal Cot.	....	25			
75	50	7	10.8	Do. pref. ...	5	65	65	65	65
½	½		...	Montreal Exhib	....	½			
x11	6		...	Mont. Is. Pr.	....				
42½	26½	1.50	4.5	Mont. L. & Pr.	3914	33⅜	33⅜	33	33
42	39	3+.25	8.1	Montreal Loan	....	40			
47	39	3.20	6.8	Montreal Tele.	5	46	47	47	47
110	70	9	8.2	Montreal Tram	195	105	110	108	108
17½	4		...	Moore Corp.	275	11	11½	11	11
107	65	7	7.3	Do. pref. A	109	97	96	94	94
125	70	7	6.6	Do. pref. B	78	110	107	106	106
4	½		...	Muirheads	....	1			
7	5		...	Do. pref	....	7			
				N					
29½	14½	1.60	6.7	Nat. Breweries	2264	24½	24½	23½	24
32	27	1.75	5.5	Do. pref. ...	340	32	32	32	32
100	85		...	Nat. Groc. pf.	....	91			
22	14	2.40	15	N. Sew. Pipe A	85	15½	16	16	16
18½	5½		...	Nat. Steel Car	1880	12⅝	12	12	12
212	165	8	4.3	National Tr.	....	185			
x10	10		...	Niag. W. Weav	....				
16½	16	3	...	Do. pref. ...	....	16			
5	½		...	North Star Oil	100	1½	1½	1½	1½
4½	1½	35c	...	Do. pref. ...	135	2½	2½	2½	2½
				O					
211	100	8	4.3	Ogilvie Flour.	6	190	190	187	187
*125	108	7	5.6	Do. pref. ...	5	122	125	125	125
12	4		...	Ont. Eq. 10% p	10	8	8	8	8
105	98	6	5.9	Ontario Loan	25	100½	101	100½	100½
9	4		...	Ont. Silknit	5	4½	5	5	5
45	28		...	Do. pref. ...	....	30			
6½	4½		...	Ont. Steel	....	6½			
†105	105		...	Do. pref. ...	....				
2½	½		...	Orange Crush	300	⅜	⅜	⅜	⅜
14	5		...	Do. (A)	....	10			
3½	½		...	Do. (B)	10	½	½	½	½
92	80	6	7.1	Ott. L. H. & P.	....	84			
97	84	6.50	6.9	Do. pref. ...	40	94	96	94	94
8	4½		...	Ott. Traction	....	4½			
				P					
70½	40	3	5.1	Page Hersey	110	60	60	59	59
18	18		...	Paton Mfg.	....	18			
92½	90	7	7.6	Do. pref. ...	....	92½			
47	20	3	6.7	Penmans	60	42	45	45	45
86	65	6	7	Do. pref. ...	32	82	86	86	86
16½	8		...	Photo Eng.	....	14½			
47½	47½	7	...	Porto Rico P. p	....	47½			
b40½	4		...	Postal Tele. p.	....				
15½	6		...	Power Corp.	370	8½	9	8⅜	8⅞
62	26	6	14.6	Do. pref. ...	5	40	41	40	40
3½	¾		...	Prairie C. Oil.	60	2	2	2	2
26	8		...	Pressed Metals	300	18	18	16½	16½
4.62	.40		...	Price Bros.	200	.50	.45	.45	.45
13	3		...	Do. pref. ...	10	3	3	3	3
				Q					
24	11	1	6.3	Quebec Power	177	15	15½	15	15½
				R					
95	85	5	5.9	Real Estate L'n	....	85			
5½	½		...	Regent Knit.	215	2	2½	2½	2½
6	5		...	Reliance Grain	....	5			
19	7	1	5.3	River. S. Mills	5	19	19	19	19
14	5	1	11.1	Robinson Cone	....	9			
4	¾		...	Rogers Majest.	495	3	4	3½	4
183	123	8	6.1	Royal Bank	290	132	133	130	131
†84	75		...	Ruddy, E. L. p.	....				
20	20		...	Russell Motor	....	20			
45	28	4	10.8	Do. pref. ...	....	37			
				S					
x4	3		...	Sarnia Br. A.	....				
2	1½		...	Do. (B)	....	2			
11½	2½		...	Serv. Station	330	6½	6½	6	6½
48	16		...	Do. pref. ...	5	30	30	30	30
22½	9½	50c	2.9	Shawinigan	2637	16½	17½	16½	17
17½	4		...	Sher. Wms.	....	11½			
75	39		...	Do. pref. ...	....	60			
9	4		...	Simon & Son.	50	5½	6	6	6
61	50		...	Do. pref. ...	5	55	55	55	55
52	6		...	Simpson, Ltd.	75	37	38	33½	33½
5	5		...	Do. (A)	....	5			
6½	1		...	Do. (B)	....	2			
85	46½	6	8	Simpson, R., p.	....	75			
19½	12	80c	6.7	So. Can. Pr.	260	12	12	12	12
91	68	6	7.7	Do. pref. ...	99	78	78	75	75
5.87	.15		...	St. Law. Corp.	1750	2.50	2.25	2.00	2.00
12½	1		...	Do. (A)	185	5½	5½	5½	5½
56	15	1.50	2.7	St. Law. Flour	....	56			
100	90	7	7.3	Do. pref. ...	25	90	96	96	96
25	2½		...	St. Law. Pap. p	320	15½	15½	15	15
13	4		...	Stand. Chem.	....	7			
6	½		...	St. Pav. & Mat.	....	1½			
25	15		...	Do. pref. ...	110	15	15	15	15
19½	1		...	Stand. Steel	630	10½	10½	9½	9½
x35	30		...	Do. pref. ...	....				
33	14½	1.20	4.1	Steel of Can.	425	28⅞	29	28	28
34	24½	1.75	5.6	Do. pref. ...	665	31	31	31	31
6	1		...	Sterling Coal	....	6			
10½	6		...	Stop & Shop	....	6			
*495	385		...	Sun Life Ass.	....	495			
22½	11	1	5.7	Sup. Pete. ord.	....	17½			
19	11½	1	5.6	Do. com. ...	....	18			
99	90	7	7.4	Do. pref. ...	....	95			
				T					
40	40		...	Tamblyn	....	40			
95	79	7	8.1	Do. pref. ...	7	86	86½	86	86½
22	10		...	Thayers, pfd.	....	20			
14	7½	40c	3.6	Thrift Stores	55	11	11	11	11
30	21	1.62½	6.9	Do. pref. ...	40	25	25½	23½	23½
12	1		...	Tip Top Tailors	....	7½			
72	35	7	9.8	Do. pref. ...	10	72	71½	71½	71½
†22	10		...	Tooke Bros.	....				
16½	12½		...	Do. pref. ...	....	15			
27	12½	1	...	Tor. Elevators	....	20			
98	86½	7	8.1	Do. pref. ...	25	87½	87	86½	86½
167	138	6	4.1	Tor. Gen. Tr.	....	147			
100	90	6	6.2	Toronto Mtge.	4	97	97	97	97
2⅞	¾		...	Traymore	55	¾	¾	¾	¾
5	½		...	Do. pref. ...	30	4½	3½	3	3
120	107	7	6	Tuckett Tob. p	....	116			
4	1		...	Twin City	75	1½	1½	1½	1½
b15	5½		...	Do. pref. ...	....	6½			
				U					
7½	2½		...	Union Gas	1012	4½	4½	4	4
40	25		...	Union Trust	....	25			
†8	8		...	United Fuel	....				
17½	4½		...	Do. pref. ...	3	5½	5	5	5
8	7		...	Un. Amuse. A	....	8			
7½	7½		...	Do. (B)	....	7½			
30	19½	2	7.7	United Secs.	....	26			
				V					
7	2		...	Viau Biscuit	330	3	2½	2½	2½
40	29		...	Do. pref. ...	....	29			
				W					
18½	4		...	Wabasso Cot.	....	15			
68	4		...	Walker-Good.	33409	36⅜	38	31	37½
18½	9½	1	6.6	Do. pref. ...	3057	15½	15⅞	14⅞	15
3.45	3.25		...	Walkerville Br	5650	....	3.45	3.25	3.40
8	1½		...	Waterloo Mfg.	....	2½			
x80	75	7	...	W. Koot. Pr. p	....				
18	4		...	West. C. Flour	35	8	7⅞	7⅞	7⅞
70	45	3	5.7	Do. pref. ...	10	50	53	53	53
30	8		...	West. Grocers	26	28	30	30	30
90	54	7	7.8	Do. pref. ...	....	90			
†91	85		...	W. Steel Pr. p	....				
59½	16½	1	2.3	Weston Bisc.	470	50½	51	44⅞	44⅞
90½	67	7	7.9	Do. pref. ...	11	88	89	88½	88½
5	3½		...	Whittall Can.	....	4			
50	30	6.50	...	Do. pref. ...	....	35			
5	3		...	Windsor Hotel	....	3			
12	5		...	Do. pref. ...	....	5			
5½	1		...	Winnipeg Elec.	135	2	2	2	2
10½	3½		...	Do. pref. ...	....	4			
18	7		...	Woods Mfg. p.	....	18			
				Z					
1½	1½		...	Zimmerknit, c.	....	1½			

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
▲ Stock dividend.
° Plus final dividend of 17½c. paid Mar. 31.
* See "Unlisted Stocks" also.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
November 28, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar c. ...	1.25	1.50
Acadia Sugar 6% pfd.	3.90	4.25
Acme Farmers Dairy 7% pfd.	....	25.50
Agnew Surpass 7% pfd.	63.25	67.00
Allens London 7% pfd. bonus c...	34.00	....
Allens St. Cath. 7% pfd. bonus c...	34.00	....
Allens Toronto 7% pfd. bonus c...	19.50	....
Andian National Corp.	26.00	....
Atlantic Sugar A pfd.	82.00	87.00
B.C. Pulp & Paper pfd.	6.00	....
Burns Pfd. bonus com.	3.00	6.50
Canada & Dom. Sugar	36.00	38.00
Canada Mach. c...	3.25	5.00
Canada Mach. pfd.	18.00	....
Can. Packers. c.	36.50	38.00
Can. Pack. pfd..	100.00	103.00
Canada Starch c.	4.25	....
Canada Starch 7% pfd.	72.50	....
Canada Tea 7% pfd.	45.00	57.00
Canada Wire & Cable 6½% pfd. WW	58.00	62.00
Can. Industries com. A	108.00	....
Can. Industries com. B	108.00	....
Can. Industries 7% pfd.	123.00	126.00
Can. Westinghouse	44.00	48.00
Chase, A. W. Pfd. bonus c.	15.00	19.00
Claude Neon Gen. Adv. Units	4.00	6.00
Dom. Foundries & Steel 8% pfd. ..	35.00	40.00
Dom. Foundries & Steel c.	3.00	5.00
Dom. Manufacturers 7% pfd.	....	60.00
Dunlop Tire 7% pfd.	*59.00	....
Eastern Dairies Ltd. 7% pfd.	....	20.00
Edmonton Stockyards Units ...	....	50.50
Federal Grain 6½% pfd.	14.00	20.00
General Steel Wares pfd.	11.25	13.00
Goderich Elevator & Transit	5.00	6.25
Greening Wire 7% pfd.	45.50	52.00
Guelph Carpet 6½% pfd.	67.00	....
Guelph Carpet c..	5.75	....
Inter City Baking com.	16.75	18.50
Inter. Proprietaries "A" X.D.	30.50	32.00
Loew's London c.	.25	.75
Loew's Lond. pfd.	3.25	4.25
Loew's Toronto 7% pfd.	57.00	61.00
Mansfield Theatres pfd.	16.00	....
Massey-Harris 5% pfd.	12.00	13.00
Medical Arts Pfd. bonus c.	96.50	....
Mount Royal Hotel com.	.25	.75
Mount Royal Hotel 6% pfd.	2.75	4.00
National Grocers c.	1.65	2.00
National Grocers 7% pfd.	91.00	95.00
Paramount Kitchener pfd.	31.00	....
Paramount Oshawa com.	2.25	....
Paramount Oshawa pfd.	35.50	....
Provincial Paper 7% pfd.	65.00	68.00
Reliance Grain 6½% pfd.	36.00	41.00
Rolland Paper 6% pfd. WW ..	44.00	49.00
Serv. Stations A pfd.	25.00	32.00
Standard Clay Products c. ...	....	15.50
Standard Fuel 6½% pfd. bonus	68.00	....
Supersilk pfd. bonus	35.50	....
Supertest Petroleum B pfd.	20.00	....
Toronto Elevators 7% pfd.	86.00	88.00
Toronto Housing c.	10.50	....
United Corpns. Ltd. A	5.25	....
United Corpns. Ltd. B	1.25	....
Un. Grain Grow..	8.00	11.00

Ind. Stocks cont'd	Bid	Asked
Western Grain 6½% pfd. bonus	6.00	12.50
Western Grocers pfd.	85.00	88.50
Willards Chocolates pfd.	13.00	17.00
Wood, Alex. & James pfd.	16.00	21.00
Zimmerknit c. ...	2.50	....
Insurance Stocks:		
Br. Amer. Assce..	23.50	....
Can. Life Assce...	420.00	435.00
Canadian Fire Ins.	55.50	60.00
Confederation Life 20% pfd.	121.00	128.00
Continental Life 20% pd.	33.00	37.00
Crown Life Ins. ..	95.00	....
Dom. Fire Ins. ..	85.50	....
Dominion Life 50% pd.	155.50	....
Dom. of Can. Gen. Ins.	103.00	110.00
Empire Life 25% pd.	9.00	11.25
Excelsior Life 30% pd.	75.50	....
Federal Fire 25% pd.	37.50	....
Fidelity Ins. Co...	46.00	....
Great West Life Assce.	320.00	350.00
Guar. Co. of N.A. fully paid	215.00	230.00
Guar. Co. of N.A. 20% paid	40.50	....
Imperial Life ...	265.00	280.00
Mfrs. Life Ins. ..	215.00	235.00
Monarch Life 10% pd.	15.00	20.00
National Life 25% pd.	51.50	62.00
Saskatchewan Life 10% pd.	7.00	12.00
Sovereign Life 25% pd.	18.50	24.50
Sun Life Assur...	395.00	425.00
Western Assur. c.	14.00	18.00
Western Life 20% pd.	9.00	11.50
Trust & Loan Stocks:		
Br. Mtg. & Trust	130.00	145.00
Can. Gen. Investments Ltd.	4.65	5.00
Can. Investors Corp.	5.15	6.50
Chartered Trust .	60.00	....
Debenture & Sec. com.	2.00	....
Debenture & Sec. 5% pfd.	10.00	....
Dom. & Anglo Invest. Units .	170.50	....
Dom. Scottish Invest. Units ..	17.50	25.00
Eastern Can. Sav. & Loan	110.50	115.00
Eastern Trust ...	135.00	141.00
Investment Foundation Units	26.50	29.00
London & Western Trust	....	44.00
Sec. Holding Corp. com.	.50	....
Sec. Holding Corp. pfd. ..	7.00	....
Security Loan & Savings	90.50	....
Sherbrooke Trust	100.50	109.00
Sterling Trust ...	....	44.00
Traders Finance 7% A pfd. ...	33.00	....
Trusts & Guar. ..	27.00	31.00
Victoria Trust & Savings	130.00	139.00
Waterloo Trust & Savings	90.00	110.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd. ...	98.50	101.00
Calgary Power 6% pfd.	75.00	79.00
Can. Light & Pwr. com.	16.00	20.00
Can. West. Nat. Gas. LH&P pfd. ...	76.00	80.00
Maritime Tel. & Tel. com.	8.75	9.75
Maritime Tel. & Tel. 7% pfd. ..	10.60	11.75
N. B. Telephone c.	7.75	9.00
N. S. L&P c.	25.50	33.00
N. S. L&P 6% pf.	72.00	76.50

Recent London Quotations:

Brewers & Distillers ..	9s. 6d.
Can. & For. Secs.	4s. 6d.
Can. West. Lumber	1s. 9d.
Hudson's Bay	21s. 6d.
Do., 5% pref.	91s. 3d.
Internat Holdings	$1¾
Nfld. Pr. & Pap. deb. stock B	98
Trust & Loan of Can. ..	3s. 4d.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass, pref.	7%	1¾%	Jan. 2	Dec. 15
Andian National, c. (No. 10)..	$2	$1	Dec. 15	Nov. 30
Banque Can. Nationale	$10	$2.50	Dec. 1	Nov. 15
Belding Corticelli pref.	7%	1¾%	Dec. 15	Nov. 30
Bulolo Gold Dredging	...	*60c	Dec. 4	Nov. 9
Bank of Montreal	$8	$2	Dec. 1	Oct. 31
Bank of Toronto	10%	2½%	Dec. 1	Nov. 15
Borden Co., c.	$1.60	40c	Dec. 1	Nov. 15
Bank of Nova Scotia	$12	$3	Jan. 2	Dec. 16
Brit. Amer. Oil (No. 15)	80c	20c	Jan. 2	Dec. 16
Belding Corticelli, c.	$4	$1	Feb. 1	Jan. 15
Bell Telephone	$6	$1.50	Jan. 15	Dec. 22
Bruck Silk Mills	..	25c	Jan. 15	Dec. 15
Buffalo Ankerite	.	3c	Dec. 15	Dec. 1
Canada Trust	10%	5%	Jan. 2	Dec. 15
Canada Vinegars	$1.60	40c	Dec. 1	Nov. 15
Can. Bank of Commerce	$8	$2	Dec 1	Oct. 31
Canadian Oil, pref.	$8	$2	Jan. 1/34	Dec. 20
Can. Hydro, 1st pref.	6%	1½%	Dec. 1	Nov. 1
Crow's Nest Coal	..	$2	Dec. 11	Nov. 30
Cons. Diver. Std. Secs pfd. ..	...	25c	Dec. 15	Nov. 15
Canada Malting (No. 24)	$1.50	37½c	Dec. 15	Nov. 30
Canada Northern Pr. c.	80c	20c	Jan. 25	Dec. 30
Do., extra	..	10c	Jan. 25	Dec. 30
Can. Perm. Mortgage	$8	$2	Jan. 2	Dec. 15
Dominion Bank	$10	$2.50	Jan. 2	Dec. 20
Dominion Stores	$1.20	30c	Jan. 2	Dec. 15
Dominion Textile	$4	$1	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 15	Dec. 30
Eastern Twps Tele. c.	72c	18c	Jan. 15/34	Dec. 31
Eastern Theatres c.	$2	50c	Dec. 1	Oct. 31
Ford Motor (No. 31)	..	$1	Dec. 21	Dec. 4
Ham. Un. Theatres, pfd.	$7	$1.75	Dec. 30	Nov. 30
Hollinger Gold	65c	5c	Dec. 2	Nov. 17
Huron & Erie Mortgage	6%	1½%	Jan. 2	Dec. 15
Inter. Petroleum (No. 39)	$1.12	28c	Dec. 15	Nov. 30
Do., pref.	$1.12	28c	Dec. 15	Nov. 30
Inter. Proprietaries A	$2.60	65c	Dec. 15	Nov. 25
Imperial Tobacco, c	35c	8¾c	Dec. 30	Nov. 29
Imperial Oil (No. 39)	50c	12½c	Dec. 1	Nov. 15
International Milling 1st pfd. .	$7	$1.75	Dec. 1	Nov. 18
Do., "A" pref.	$6	$1.50	Dec. 1	Nov. 18
Laura Secord	$3	75c	Dec. 1	Nov. 15
Loblaw Grocet. "A" & "B" ..	80c	20c	Dec. 1	Nov. 11
Lake Shore Mines	$2	50c	Dec. 15	Dec 1
Do., extra	..	50c	Dec. 15	Dec. 1
Montreal Cottons, pfd.	$7	$1.75	Dec. 15	Nov. 30
McIntyre Porc. M.	$1	25c	Dec. 1	Nov. 1
Do., extra	...	12½+12½c	Dec. 1	Nov. 1
Mercury Oils	...	4c	Jan. 2	Nov. 30
McColl Fron. c.	60c	15c	Dec. 15	Nov. 15
Montreal Loan & Mtge.	12%	3%	Dec. 15	Nov. 30
Nat'l. Breweries	$1.60	40c	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
N. S. Light & Pr. pref.	6%	1½%	Dec. 1	Nov. 15
Ogilvie Flour Mills pfd.	$7	$1.75	Dec. 1	Nov. 21
Pioneer Gold (B.C.)	60c	15c	Jan. 2	Dec. 8
Provincial Bank	$6	$1.50	Dec. 1	Nov. 15
Royalite Oil	...	50c	Dec. 20	Dec. 5
Rolland Paper pref.	$6	$1.50	Dec. 1	Nov. 15
Royal Bank	8%	2%	Dec. 1	Oct. 31
Reliance Grain. pref.	6½%	1⅝%	Dec. 15	Nov. 30
Southern Can. Power, pfd....	$6	$1.50	Jan. 15	Dec. 20
Siscoe Gold Mines	12c	3c	Dec. 30	Dec. 15
Do., bonus	..	2c	Dec. 30	Dec. 15
Sterling Pac. Oil	..	2½c	Dec. 22	Dec. 11
Toronto Elevators, c.	...	*$1	Dec. 1	Nov. 15
Do., pref.	7%	1¾%	Jan. 15	Jan. 2
H. Walker- G. & W., pfd.	$1	25c	Dec. 15	Nov. 25

* Interim.

Dividend Rate Reduced—
Canada Permanent Mortgage Jan. 2. $10 to $8 per annum.

Dividends Passed or Deferred—
Canadian Can. pfd. due Jan., passed. Last paid 43c. Oct. 10, 1933.

Dividends Resumed—
Bruck Silk Mills, 25c. Jan. 15. First payment since 25c. paid May 15, 1930.
Ford Motor Car, $1 Dec. 21. Last payment 60c. June 20, 1931.

Winnipeg Stock Exchange

(Transactions for week to November 25)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Nov. 25
..	..	Calgary & Edmonton	30	1.00	1.00	1.00
4	6.7	Canadian Fire	5	60	60	60
..	..	Central Manitoba ...	700	.13¼	.12½	.12½
1	..	Ford A	30	13½	13½	13½
..	..	Island Lake	500	.07	.07	.07
..	..	Paymaster	100	.24	.24	.24
..	..	Pelissiers, Ltd.	5	22	22	22
..	..	San Antonio	510	1.40	1.38	1.40
1	10.5	United Grain Gr. ...	15	9½	9½	9½
..	..	West. Breweries ...	100	1	1	1
7	8.2	West. Grocers pref.	10	85	85	85

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Lumb. pref.	..	65
Beaver Lumber c.	..	4
City Dairy 8% pf.	..	40
Cres. Creamery pf.	..	15
Gt. West Life ...	310	..
Home Investment .	20	..
Monarch Life 10% pd.	17	21
Nor. Mtg. part pd.	..	5
Pelissiers c.	½	..
Northern Trust ...	..	16
Reliance Grain pfd.	..	50
Sovereign Life	..	19
Traders Bldg. Assn.	65	..
Can. Amer. Tr. shs.	..	3.00
Fundamental Ser. A	..	4⅜
Fundamental Ser. B	..	3⅜
Group Income Shs.	..	4.15
Can. Invest. Fund.	..	3.30

*Stocks more active on other exchanges not included.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
November 28, 1933

Industrial Bonds:		Bid November 28	Asked November 28	Bid Nov. 21
Abitibi P. & P. 5% 1953	F	19.00	21.00	20.00
Abitibi P. & P. C.O.D.	F	17.00	19.00	....
Acadia Sugar 6% 1946		91.50	93.50	92.00
Alta. Pacific Grain 6% 1946		66.00	67.00	69.00
American Sales Book 6% 1939		97.00	....	97.00
Asbestos Corp. 6% 1941	F	29.00	33.00	....
Asbestos Corp. 5% 1942	F	45.00	....	....
B. A. Oil 5% 1945		99.00	100.00	99.00
B. C. Pulp 6% 1950	F	49.00	51.00	....
B. C. Pulp 7% 1950	F	14.00	....	13.00
Burns 5½% 1948	F	29.50	31.00	29.00
Can. Biscuit 6½% 1946	F	17.50	21.50	17.00
Can. Bread 6% 1941		94.00	96.00	94.00
Can. Cement 5½% 1947		75.00	76.50	76.00
Can. Steamship 6% 1941	F	17.25	19.00	17.00
Can. Canners 6% 1950		97.00	98.50	96.00
Can. Copper Refin. 6% 1945		104.00	105.00	104.50
Can. Cottons 5% 1940		92.00	94.00	93.00
Can. Vickers 6% 1947		44.00	45.50	44.50
Cons. Invest. 4½% 1959	F	53.50	55.00	53.00
Davies, Wm. 6% 1942		96.50	98.00	98.00
Debenture & Sec. 4% 1936		59.00	63.00	59.00
Dom. Tar & Chemical 6% 1949		62.00	66.00	62.00
Dom. Telegraph 5½% 1978 A		85.00	93.00	94.00
Dom. Textile 6% 1949		104.50	106.00	105.00
Dom. Woollens 6% 1948	F	19.50	21.50	18.00
Donnacona Paper 5½% 1948	F	23.50	26.00	24.00
Eastern Dairies 6% 1949		63.00	65.00	....
Famous Players 6% 1948		72.50	74.00	73.00
Federal Grain 6% 1949		65.00	69.00	66.00
Firestone Tire 7% 1937		104.50	106.00	105.00
Fraser Co. 6% 1942	F	42.00	44.00	40.00
Fraser Co. 6% 1950	F	23.00	28.00	31.00
Galt Brass 7½% 1941	F	22.00	....	20.00
General Steel Wares 6% 1952		51.50	53.50	54.00
Goodyear Cotton 6% 1949		101.50	103.00	102.00
Great Lakes 6% 1950	F	19.50	21.50	20.00
Gypsum, Lime & Alab. 5½% 1948 ..		42.00	44.50	44.50
Hamilton By-Prod. 7% 1943		86.50	88.00	86.00
Harris Abattoir 6% 1947		101.00	103.00	100.00
Howard Smith 5½% 1953		72.00	74.00	70.00
Lake St. John 6½% 1947	F	30.00	35.00	35.00
Lake St. John 6½% 1942	F	9.50	10.50	....
Loew's Toronto 6% Serial		97.50	....	98.00
Maple Leaf Milling 5½% 1949		34.00	38.00	33.00
Massey-Harris 5% 1947		58.50	60.00	59.00
McColl-Frontenac 6% 1949		94.50	96.00	94.00
McKinnon Industries 6½% 1945		93.00	....	95.00
Mercury Mills 5½% 1953		52.00	55.00	54.00
Minn. & Ont. 6% Serial	F	7.00	9.00	5.00
Price Bros. 6% 1943	F	55.00	....	54.00
Provincial Paper 5½% 1947		87.00	88.00	....
Simpsons Ltd. 5½% 1949		70.00	73.00	72.00
Simpsons Ltd. 6% 1949		76.00	77.00	75.50
Steel of Canada 6% 1940		104.50	106.50	104.00
Stop & Shop 6% 1947		71.00	73.00	71.00
Toronto Carpet 6% 1944		87.00	....	88.00
United Corpns 5% 1953		63.50	65.00	....
United Gas & Fuel 5½% 1948		63.00	68.00	65.00
United Grain Growers 5% 1948		70.00	72.00	71.00
United Grain Growers 5½% 1949 ..		76.00	78.00	77.00
Wabasso Cotton 7% 1942		70.00	75.00	70.00
Western Grain 6% 1949		....	58.00	....
Public Utility Bonds:				
Bell Telephone 5% 1955		101.25	102.00	100.50
B. C. Power 5½% 1960		94.00	95.00	93.50
B. C. Telephone 5% 1960		95.00	96.00	94.50
Calgary Power 5% 1960		84.00	85.50	82.50
Can. Northern Pwr. 5% 1953		79.50	81.00	78.00
Duke-Price Pwr. 6% 1966		69.50	70.00	68.00
French Nat'l Mail S.S. 6% 1952		130.00	....	130.00
Gatineau Pwr. 6% 1941 A		66.00	67.00	65.00
Gatineau Pwr. 5% 1956		77.00	77.75	75.00
Maclaren-Quebec 5½% 1961		80.50	81.00	80.00
Manitoba Power 5½% 1951		34.00	37.00	30.00
Montreal LH&P 5% 1970		102.00	105.00	105.00
Montreal Tram. 5% 1941 July		95.00	98.00	94.00
Northwest Utilities 7% 1938		98.50	100.00	96.00
Ottawa Valley Pwr. 5½% 1970		100.00	102.00	99.50
Quebec Power 5% 1968		90.00	93.00	88.00
Rio Tramways 5% 1935		101.00	104.00	99.00
Shawinigan W. & P. 5% 1970		84.00	84.75	82.00
Shawinigan W. & P. 6% 1937		95.50	96.50	....
Southern Can. Pwr. 5% 1955		97.00	98.50	96.50
West Kootenay Pwr. 5% 1956		98.50	99.50	97.00
Realty Bonds:				
Albert Bay 6½% 1942		40.00	45.00	40.00
Balfour Bldg. 6% 1943	F	36.00	40.00	....
Bloor St. George 7% 1946	F	31.00	33.00	....
Clarendon Apts. 7% 1936	F	26.00	29.00	....
Eaton Realty 5% 1949		87.00	89.00	89.00
Godfrey Realty 6% 1942	F	26.00	29.00	....
General Brock Hotel 6% 1948 ...	F	15.00	17.00	....
London Realty 6½% 1950	F	38.00	41.00	....
Lord Nelson Hotel 4%, 1947		52.00	54.00	....
Mayor Bldg. 6½% 1942		28.00	33.00	....
Metropolitan Bldg. 7% 1944		80.00	84.00	80.00
National Realty 7% 1945	F	23.00	25.00	....
Northern Ont. Bldg. 6½% 1939		71.00	73.00	65.00
Richmond Bay 6½% 1947		68.00	72.00	67.00
Windsor Hotel 6% 1947		50.00	55.00	....
Government, Provincial & Railway:				
C. N. R. 4½% 1951 Dom. Gtd.		98.25	99.25	96.50
C. N. R. 5% 1969 Dom. Gtd.		105.25	106.25	101.50
C. P. R. 4½% 1944		71.00	72.00	69.00
C. P. R. 6% 1942		101.50	102.50	101.50
Dom. of Can. 5% 1936		102.25	103.00	101.50
Dom. of Can. 5% 1941		102.25	103.00	101.00
G. T. P. 3% 1962 Dom. Gtd.		82.00	84.00	83.00
G. T. P. 4% 1962 Dom. Gtd.		96.00	97.00	96.25
Ont. Hydro 3½% 1952 Ont. Gtd. ...		90.00	93.00	....
Ont. Hydro 4% 1957 Ont. Gtd.		91.00	94.00	....
Prov. of N. B. 5½% 1950		103.50	....	....
Prov. of Ont. 5½% 1946		105.00	107.00	104.00
Prov. of Ont. 5% 1948		102.00	104.00	100.00
Prov. of Ont. 5½% 1944		99.00	101.00	100.00

F—Traded without accrued interest.

Listed Bond Quotations

Week Ending November 27, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Range, 1933 Low
Abitibi, 1st mtge.§.	5	1953	...	19	...	...	18	13
Asbestos	5	1942	...	45	...	...	*65½	49
Can. Cons. Rub. ...	6	1946	...	†75	...	...	62	...
Can. Cottons	5	1940	8.11	94	...	...	84⅜	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Pr. (Laur.) ..	5½	1958	...	...	...	...	5	3
Do., (Way. Ser.).	5½	1958	...	...	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	66	...	...	*83½	...
Cedars Rapids	5	1953	...	103	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	3.00	3.00	2.75	3.00	1.00
Mex. L. & Pr.	5	1940	...	†59	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	44½	44½	44½	47½	39½
Mont. Tr. 1st mtg.§	5	1941	5.53	...	...	...	98½	95½
Mont. Trams. A§ ..	5	1955	7.68	70	72	70½	81½	58
Do., G. & Ref. B .	5	1955	7.44	...	...	...	74½	73⅜
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	7.41	...	...	...	77⅜	76½
N. S. Steel	5	1959	...	...	...	...	*62½	58
Ontario Steel	6	1943	7.43	87½	...	...	90	80
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§ ..	6	1940	...	103½	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§ ...	5	1935	...	75	...	...	79	75
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada ...	6	1940	...	...	...	...	*101½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	....	....	....	116.25	107.00
Do.	5½	1934	4.09	100.85	....	....	102.60	101.15
Do.	5½	1937	3.47	107.00	....	....	110.25	109.25
Do., refund	4½	1940	4.37	100.25	....	....	101.25	99.70
Do., refund	5	1943	4.68	100.25	....	....	104.90	101.85
Do., refund	4½	1944	4.50	99.50	....	....	100.50	98.75
Do., refund	4½	1946	4.50	99.50	....	....	*92.25	91.50
Do., renewal	4	1952	4.50	94.00	....	....	95.25	91.63
Do., refund	4	1945	4.46	95.25	....	....	96.50	96.50
Conversion Loan ..	4½	1956	4.57	98.25	....	....	100.70	97.00
Do.	4½	1957	4.50	98.25	....	....	99.00	96.00
Do.	4½	1958	4.50	98.50	....	....	100.75	97.75
Do.	4½	1959	4.58	99.25	....	....	108.87	97.75
Nat. Service Loan .	5	1936	4.01	102.25	....	....	103.25	101.50
Do.	5	1941	4.62	102.25	....	....	103.75	100.75
Dom. Loan	4	1935	3.72	100.00	....	....	99.75	99.75
Unlisted:								
Cons. Paper	5½	1961	...	....	10	....	....	....
Can. For. Inv. deb..	7	1949	...	88.00	....	....	100.00	80.00

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

November 28, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Apr.	86.00	5.54
Alberta	5	1 July, 1943	1 Jan.	93.00	5.94
Alberta	6	1 Mar., 1947	1 Mar.	101.00	5.89
*British Columbia .	4½	1 Oct., 1953	1 Apr.	88.00	5.50
*British Columbia .	5	15 Jan., 1948	15 Jan.	93.00	5.72
British Columbia .	6	15 Feb., 1947	15 Feb.	100.00	6.00
Manitoba	4	1 July, 1947	1 Jan.	85.50	5.50
*Manitoba	5	2 Dec., 1959	2 Dec.	93.00	5.51
Manitoba	6	1 Apr., 1947	1 Apr.	100.50	5.95
*New Brunswick ..	4	1 June, 1948	1 Dec.	91.00	4.85
*New Brunswick ..	4¾	15 June, 1936	15 Dec.	100.00	4.75
New Brunswick ..	5½	15 May, 1950	15 May	104.50	5.09
*Nova Scotia	4½	15 Nov., 1948	15 May	99.50	4.55
Nova Scotia	5	1 May, 1943	1 May	100.50	4.94
*Ontario	4½	1 Sept., 1944	1 Mar.	101.00	4.37
Ontario	5	15 Oct., 1948	15 Apr.	104.00	4.62
Ontario	5½	1 Feb., 1947	1 Feb.	106.50	4.84
P. E. I.	4	1 Apr., 1939	1 Apr.	96.00	4.85
P. E. I.	6	1 May, 1947	1 May	110.00	4.97
*Quebec	4¼	1 May, 1961	1 May	100.00	4.25
*Saskatchewan ...	4½	1 Sept., 1955	1 Mar.	85.00	5.70
*Saskatchewan	5	1 Nov., 1959	1 May	90.00	5.75
Saskatchewan	6	15 Mar., 1952	15 Mar.	100.00	6.00
*Newfoundland ...	5	31 Dec., 1952	31 Dec.	95.00	5.42
*Newfoundland ...	5½	1 July, 1939	1 Jan.	95.00	6.60
*Newfoundland ...	6½	30 June, 1936	31 Dec.	96.00	8.30
Cities					
*Montreal	5	1 Sept., 1963	1 Mar.	103.00	4.81
*Toronto	4½	1 Jan., 1955	1 Jan.	98.50	4.61
*Vancouver	5	15 Jan., 1970	15 Jan.	91.50	5.55
Winnipeg	5	1 Mar., 1944	1 Mar.	93.50	5.84
*Edmonton	5½	1 Apr., 1947	1 Apr.	91.50	6.45
Calgary	5	1 Jan., 1943	1 Jan.	90.00	6.42
Halifax	6	1 July, 1951	1 Jan.	112.00	4.97
Saint John	5	15 Dec., 1950	15 Dec.	101.50	4.87
Regina	4½	1 July, 1950	1 Jan.	79.60	6.50
Victoria	5	21 July, 1945	21 Jan.	93.00	5.82
Quebec	5	1 June, 1948	1 Dec.	100.00	5.00

*Payable in New York.

CLASSIFIED ADVERTISEMENTS

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Small Industries Financed

Funds are available to small established and solvent enterprises which require capital for expansion. Detailed replies must be submitted in order to receive consideration. Box 212, The Financial Post, Toronto, Ont.

Will invest up to $5,000 and services in established business. Must stand rigid investigation. Box 214, The Financial Post, Toronto, Ont.

Agencies Wanted

MANUFACTURERS' AGENCY HAVING established territories Vancouver and British Columbia requires reliable lines. B.C. Representative. Departmental, Christmas Toys and Novelties, Miners' Clothing, Shoes, Ladies' Ready-to-Wear, Hosiery. Forward Travellers Samples to Dunsmuir Agencies, 500 Dunsmuir St., Vancouver, B.C.

Meetings Reported

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 30th December, 1933, making a total distribution of ten per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 2nd day of January, 1934, to shareholders of record of the 20th December, 1933.

By Order of the Board.

DUDLEY DAWSON,
General Manager.

Toronto, 16th November, 1933.

The Bell Telephone Company of Canada

Notice of Dividend

A dividend of one and one-half per cent (1.50%) has been declared payable on the 15th of January, 1934, to shareholders of record at the close of business on the 22nd of December, 1933.

W. H. BLACK,
Secretary-Treasurer.

Montreal, November 22, 1933.

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 11th day of January, 1934, at 11 o'clock a.m.

M. W. WILSON,
General Manager.

Montreal, December 1, 1933.

Belding-Corticelli Limited

Dividend No. 31

Notice is hereby given that on the Common Stock of this Company, the Directors have declared a Quarterly Dividend of 1%, payable on the 1st day of February to Shareholders of record at the close of business the 15th day of January, 1934.

By Order of the Board,

D. F. POLLOCK,
Secretary.

DIVIDEND NOTICES

Canada Permanent Mortgage Corporation

Quarterly Dividend

Notice is hereby given that a Dividend of TWO PER CENT for the current quarter, being at the rate of

EIGHT PER CENT PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE SECOND DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fifteenth day of December, 1933.

By order of the Board.

WALTER F. WATKINS,
Secretary.

Toronto, November 22nd, 1933.

SISCOE GOLD MINES

LIMITED

NOTICE OF DIVIDEND AND BONUS

NOTICE is hereby given that a Dividend of Three (3c) Cents per share and a Bonus of Two (2c) Cents per share on the issued Capital Stock of the Company has been declared, payable December 30, 1933, to Shareholders of record at the close of business December 15, 1933. Stock Transfer Books of the Company will be closed from December 16 to December 30 inclusive.

By order of the Board.

H. E. GREEN,
Secretary-Treasurer.

Montreal, November 17, 1933.

Newfoundland Stocks Of Dried Cod Are Light

Newfoundland's stock of dried codfish is low for this time of the year, according to the monthly business summary issued by the Bank of Montreal. European markets are strong, consumption is good and prices are firm. Demand from Barbados is strong with improved prices but there is no change in the Brazil situation.

Herring fishery has commenced at Bay of Islands and prospects are reported as being good. The paper mills at Corner Brook and Grand Falls continue operations at capacity. Wood operations are well advanced. Mining operations at Buchans are fully maintained. Wholesale and retail trade is below average. Collections are fair to poor.

Abolish Credit System Extend Fishing Season Newfoundland Advised

Government - Sponsored Scheme Proposed to Increase Catch

IS SELF-SUPPORTING

Evils of Credit System Shown—Initiative Sapped—Fishermen Permanently in Debt to Merchants

Undoubtedly one of the most important matters reviewed in the report of the Newfoundland Royal Commission is the question of the future of the cod fishery. The overwhelming dependence of Newfoundland on this industry has always been a source of anxiety to the country's leaders and the report traces the continual struggle to overcome this handicap. Railway construction, agriculture, highways, industrial development, mining, and the Labrador acquisition have all been hailed as possible means of salvation but with only very meagre success. Not only have large capital expenditures been made toward an elusive will-o'-the-wisp, but the temporary success of these enterprises has lured fishermen away from their calling and when failure threw them out of employment they neither had the necessary gear or the capital to return to fishing.

In the domestic fishing situation, there are two main ills which the report of the Commission brings to notice and for which it suggests cures. These are the credit system under which fishermen operate and the very limited advantage taken of the bountiful supplies of fish, due partly to lack of bait at certain seasons and partly through lack of a market.

Credit System Bad

The disadvantages of the credit system of operation can be easily understood from the short explanation of the system which appears in the Commission report. The report describes the system, in part, as follows:

"The fishery has never been conducted on a cash basis. Emerging from the old feudal practice under which the merchant, who was at once a storekeeper and an exporter of fish, employed a number of fishermen to catch fish for him, and provided them in return with sufficient necessities to maintain themselves and their families throughout the year, the fishery in all its branches has been conducted during the last century on what is known as the credit system.

"This system which under the feudal system had certain merits in that the merchant was responsible for those who dealt with him, has gradually changed so that now the fisherman only receives the amount of his catch which is credited against his debt for supplies obtained at the beginning of the season. If there is any balance, he either receives it in cash or in an order for goods for the remainder of the year. But unlike the feudal system, the merchant is now under no obligation to maintain the fisherman and his family throughout the winter if his summer catch is not sufficient to meet his obligations."

Difficult to Combat

The difficulty of breaking away from this system now so well established is obvious. Fishermen have become adverse of using their own savings to finance their fishing expeditions and while the merchants would like to see the business on a cash basis, even though they may make larger profits under the present credit system, they are almost powerless to change the procedure.

Penalization of the good fishermen as a direct result of the credit system is pointed out in the report. When the fisherman brings his catch to the merchant at the end of the season, it is the practice for the "culler" to value the catch. In theory, the culler is an independent expert but in practice he works for the merchant. Obviously, discrimination creeps in here. However, a much worse system has been evolved since the war years. During this period when prices were extremely good and demand almost exceeded supply the "talqual" system came into vogue, viz., an average price was fixed for the whole of the fishermen's catch without any exact regard to the varying qualities of the fish comprising the catch.

Even this system may have been alright if it had continued to work according to original plans but it soon became the practice for merchants throughout the island to fix an arbitrary price per quintal for codfish and the fishermen who took great care over his cure and produced a good product did not receive any more for his catch than the careless fisherman.

The net result is that the average cure of codfish on the island has very materially declined, the report states, so that the highest class markets throughout the world have been partially lost to Icelandic and Scandinavian competitors.

Recommends Change

Official recommendation of the Commission on this evil reads as follows:

"We recommend that immediate action be taken to retire the credit system by stages, and that to this end regulations should be issued providing that in 1934 no merchant shall purchase fish from fishermen without a minimum cash payment of 20 per cent of its value. Adequate steps should be taken to make this decision known throughout the outports. The minimum could later be advanced by stages to say 80 per cent.

"Consideration should be given to the question of establishing auctions for fish on specified days at St. John's and one or two chief centres. Steps of this kind, if found practicable, would gradually accustom the people to the handling of money and would facilitate the ultimate withdrawal of the credit system."

Would Extend Season

Extension of the present fishery season is aimed at by the Commission, their recommendations reading as follows:

"What is most needed in Newfoundland is the resuscitation first of the deep-sea fishery and, secondly, of the fall fishery; the revival of these fisheries would add four months to the intensive fishing season, since fishing could start generally in February or March instead of in June and would not end until the last week in October or the middle of November."

Government to Lead

As little can be expected of private enterprise at the present time owing to the economic conditions on the island, the Commission proposes a government-sponsored scheme to rehabilitate these fisheries.

For the deep-sea fishery, the Commission proposes that the government should hire or purchase up to twelve schooners, proposing four for the first season, each of about 150 tons. These schooners should be manned by men from the locality where they make their individual bases, the men to be guaranteed a certain wage (the amount proposed being $30 a month exclusive of food and kit) and also to participate in any profits.

Bait and salt depots would be established so as to prevent loss of time between voyages and curing would be on a centralized plan with the assistance of artificial dryers.

Fall Fishery Plans

Recommendations for the encouragement of the fall fishery centre around bait as it is lack of this requisite which usually hinders this fishery. Bait depots would be established at strategic points and the fishermen supplied. It is interesting to note that fishermen have come to believe that squid is the only satisfactory bait for this fishery although herring was almost exclusively used 50 years ago. The Commission recommends that steps be taken to educate the fishermen to return to herring as occasion demands.

All these recommendations for development centre around an organization proposed by the Commission which has at its head a fishery commissioner, and whose direct representatives would be eleven district fishery officers located at Port-aux-Basques, Bay of Islands, St. Anthony, Twillingate and Fogo, Bonavista, Trinity, Carbonear, St. John's, Placentia, Burin and Belleoram.

Export Inspectors

As far as export markets are concerned the report suggests the establishment of a resident representative at Oporto who would control the European markets and a further inspector at Genoa. A better cure in Newfoundland, however, is shown as the chief necessity.

Finances for carrying out these plans would be provided by maintaining the present export tax on codfish of 2 cents a quintal, from the returns of the deep-sea schooners, and from sale of bait to local and foreign fishermen.

Abitibi Expenses Cut Report Expected Soon

Probabilities are that the bondholders' committee of Abitibi Power & Paper Co. will publish a progress report at the end of 1933 covering the period since the date of the receivership in September, 1932.

The last report of the affairs of the company was issued by G. T. Clarkson, receiver and manager, and covered the situation as it existed on September 10, 1932. Since that time the expenses of operation have been substantially cut and the company is proceeding to make the necessary purchases of wood for its northern mills. The Financial Post understands as well that the company has been able under the receivership to salvage to a substantial degree certain of the large wood inventories which were on hand at the date of the receivership.

NOTICES

The Ontario Municipal Board

Notice is hereby given that the Municipality of the Township of York has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the 10th day of November, 1933, and from and after the first publication of this Notice in the Ontario Gazette, all actions or proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a writ of execution against it without leave of The Ontario Municipal Board.

Dated this 10th day of November, A.D., 1933.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.

The Ontario Municipal Board

Notice is hereby given that the Municipality of the Township of East York has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the 22nd day of November, 1933, and from and after the first publication of this Notice in "The Ontario Gazette," all actions and proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a writ of execution against it without leave of The Ontario Municipal Board.

Dated this 22nd day of November, A.D. 1933.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.

Selection Trust Redeems Can. Selection Debentures

An offer was recently made by Selection Trust Ltd., a new British company formed to acquire the assets of Canadian Selection Co., to the holders of $3,000,000 Canadian Selection Co. 7 per cent debentures to purchase these securities at a price of £107 3s. 9d. for each $500 of debentures, payable on Dec. 8. This sum is equivalent to 103, Canadian funds, reckoning the Canadian dollar at the par plus £1 7s. 2d., being the interest from Sept. 30 till Dec. 8.

The present exchange rate is approximately $5.12 to the pound, and if the debentures were repayable at that rate on Dec. 8 the price received by the holder of each $500 Canadian Selection Co. debenture would be about 101¾. Holders of the debentures who do not accept are expected to be paid off at 103, Canadian funds, on March 31 next. It is understood that the Selection Trust will be making a small issue of debentures before the end of this year in London.

Mining Stock Quotations

Week Ending November 27.

Par Val.	Range 1933 High	Low	Company	Sales	Close Nov. 20 (or last)	High for week	Low for week	Close Nov. 27
1	.02½	.00½	Aconda	......	.01½	....	.....	.....
No	.30	.03	Aldermac	2,000	.18	.19	.18	.18
1	.03¾	.01	Alexandria	12,500	.02	.01½	.01½	.01½
No	.06	.01½	Algoma	30,500	.01½	.02	.01½	.01½
1	.10½	.00½	Algonquin	3,000	.00½	.00½	.00½	.00½
1	.06	.00½	Amity Copper	16,600	.02½	.03	.02½	.02½
1	.01	.00½	Apex	......	.00½	.....	.....	.....
1	.07½	.01½	Area	30,500	.03	.04½	.03½	.04
No	.11	.03	Arno (new)	4,500	.05	.05	.04	.04½
1	1.36	.74	Ashley	1,300	1.10	1.15	1.05	1.05
1	.14	.02½	Bagamac	10,600	.04	.04	.04	.04
1	.03	.00½	Baldwin	4,000	.01	.01½	.01	.01
1	.20	.08	Barry Hollinger	58,250	.13	.13½	.12	.12
1	2.45	.75	Base Metals	9,187	1.70	1.70	1.50	1.56
1	1.29	.60	B. E. A. R.	16,200	.81	.82	.72	.72
1	.48	.29	Big Missouri (new)	21,183	.43	.45	.43	.44
1	.28½	.08½	Bobjo	84,350	.17	.22	.16	.21
No	13.25	2.28	Bralorne	1,906	9.55	9.90	8.00	8.40
1	.25	.14	Brett Trethewey	12,000	.15	.15½	.15	.15
50c	.42	.25	B. R. Ex. Gold	1,600	.32	.27	.25	.27
1	.07½	.01½	Brownlee	65,500	.02	.02½	.01½	.01½
1	.03	.00½	Buckingham	2,500	.00½	.00½	.00½	.00½
No	.09½	.01½	Buffalo Can.	90,200	.07	.09	.07	.08½
5	24.60	15.40	Bulolo	3,060	23.25	23.90	23.00	23.75
No	.10	.01	Bunker Hill	34,600	.01½	.01½	.01½	.01½
5s	1.25	.60	B'Wana McKubwa	......	.75	.....	.....	.....
No	.05	.02½	Canam Metals	......	.03	.....	.....	.....
1	.12½	.03	Can. Kirkland	8,950	.08½	.08½	.07½	.07½
No	.60	.32	Can. Malartic	9,292	.45	.45	.40	.40
1	.02	.00¾	Capital Rouyn	5,000	.00¾	.00½	.00½	.00½
1	3.05	2.50	Cariboo G. Q.	1,650	.....	3.05	2.50	2.75
1	.03½	.01	Cartier Malartic	1,000	.01½	.01	.01	.01
1	.72	.15	Castle Trethewey	22,500	.60	.58½	.52	.52
1	.20	.06	Cen. Manitoba	25,175	.13½	.13½	.12	.12½
1	.73	.17	Cen. Patricia	12,500	.55	.55	.50	.50
No	.20	.03	Chibougamau Pros.	31,800	.05	.05	.04	.04½
No	.15	.03	Church. M. & Mill.	30,600	.12	.12	.10½	.11
No	.04	.00¾	Clericy	62,500	.02½	.02½	.01½	.02
1	.03	.01	Clifton Cons.	......	.01	.....	.....	.....
5	9.00	1.65	Coast Copper	1,700	4.65	4.85	4.15	4.15
1	.15	.00½	Cobalt Contact	31,900	.05½	.05	.04½	.04½
No	.48	.43	Columario (new)	3,300	.44	.44	.43½	.43½
5	1.90	.75	Coniagas	1,200	1.25	1.30	1.25	1.25
No	1.00	.20	Coniaurum	6,729	.95	.95	.93	.93
25	144.00	54.00	Cons. Smelters	1,251	136.00	136.00	130.00	130.00
No	40.00	13.60	Dome Mines	10,785	34.25	34.25	30.50	31.00
No	.15½	.03½	Dom. Explorers	10,200	.06	.06	.05	.05½
1	.02½	.00½	Dominion Kirk.	9,010	.01½	.01½	.01	.01½
1	.04	.00½	Don Rouyn	15,600	.01	.01	.00½	.01
1	.04½	.01	Duparquet	1,000	.01½	.02	.02	.02
1	8.10	1.16	Eldorado	42,330	3.85	3.85	3.20	3.27
No	4.55	1.80	Falconbridge	2,605	3.35	3.45	3.25	3.30
1	.06	.01	Federal	3,000	.01½	.02	.01½	.01½
No	.07	.01	Gilbec	......	.02	.....	.....	.....
1	.17	.04	Goldale	5,800	.09½	.09½	.09	.09
10	.29	.10	Goldfield	6,600	.18	.18	.17	.18
.	.01½	.01	Gold Reef	.....	.01	.....	.....	.....
1	.23	.02	Goodfish	15,500	.12½	.13	.11½	.11½
1	.04	.01	Graham	34,500	.03	.03	.02½	.02½
1	1.95	.55	Granada	19,060	.67½	.67	.60	.61
1	.18	.05	Grozelle	1,000	.05	.05	.05	.05
1	.45	.24	Halcrow Swayze	14,500	.36	.37	.35½	.36½
1	.06	.02	Harker	35,900	.03½	.04	.03	.03½
1	.01½	.00½	Hilltop	2,000	.00¾	.00½	.00½	.00½
5	11.05	6.05	Hollinger	15,380	10.75	10.85	10.50	10.75
1	1.51	.61	Howey Gold	30,655	1.07	1.09	1.00	1.00
No	12.25	3.10	Hudson Bay	900	9.95	9.85	9.25	9.25
No	.55	.25	Huronian	2,311	.50	.55	.47	.50
1	13.00	8.50	Inter. Mining	......	12.50	.....	.....	.....
1	4.50	2.75	Do., Pur. Warr.	......	4.50	.....	.....	.....
No	23.25	8.00	Int. Nickel	81,583	21.90	22.25	20.45	20.70
1	.04½	.00½	Jackson Manion	53,800	.03½	.03½	.02¾	.02¾
1	.70	.20	Keeley	2,985	.47	.50	.47	.50
1	.02½	.00½	Keora Mines	......	.01	.....	.....	.....
1	.76	.48	Kirk. Hud. Bay	11,600	.55	.55	.50	.53
1	.02¾	.00½	Kirk. Hunton	4,000	.00½	.00½	.00½	.00½
1	.52	.29	Kirkland Lake	12,810	.32	.33	.31	.31½
1	.04½	.01½	Kirkland Premier	4,700	.02	.02½	.02½	.02½
1	.52	.12	Kirk Townsite	9,100	.30	.30	.26½	.28
20c	.02¾	.00½	Koot. Florence	6,500	.01½	.01½	.01½	.01½
1	.35	.15	Lakeland	8,600	.18	.20	.18	.19½
No	.32	.07	Lake Maron	11,100	.09	.09	.08	.08½
1	52.00	30.75	Lake Shore	12,005	48.00	48.00	44.75	45.00
1	.23½	.02½	Lebel Oro	25,745	.12½	.13	.10½	.10½
No	.29	.11	Lee Gold	14,000	.15	.15	.12½	.12½
1	1.29	.20	Macassa	92,425	.89	.90	.77	.77
1	.07½	.01	Malrobic	26,500	.01½	.01½	.01½	.01½
No	.17	.02¾	Mandy	2,625	.08	.08	.07	.07
No	.07	.01	Manitoba Basin	12,600	.02½	.02½	.02	.02½
5	48.60	21.20	McIntyre	12,966	40.75	41.00	36.55	37.10
1	.55	.30	McKinley	1,437	.50½	.55	.50	.55
No	.08	.01½	McLeod River	6,000	.01½	.01½	.01½	.01½
1	.35	.03	McMillan	10,700	.30	.30	.27	.28
No	1.15	.35	McWatters	19,050	.43	.43	.40	.40
1	1.06	.15	McVittie	42,130	1.02	1.03	.95½	.95½
5	1.25	.06	Mentor Exp. & Dev.	......	1.05	.....	.....	.....
No	2.65	1.20	Mining Corp.	3,898	1.85	1.90	1.60	1.60
1	.05	.01½	Moffatt Hall	16,000	.02½	.02¾	.02	.02
1	.12½	.02	Monets	3,500	.06	.06	.06	.06
1	.00½	.00½	Montreal Rouyn	......	.00½	.....	.....	.....
No	.12½	.03	Moss	......	.03	.....	.....	.....
1	.03½	.00¾	Murphy	7,500	.01½	.01½	.01	.01
No	.06½	.02	Newbec	4,000	.02	.02½	.02	.02
1	.06½	.01½	Night-Hawk Penn.	3,000	.04	.04	.03½	.03½
5	3.50	1.15	Nipissing	4,630	2.55	2.53	2.30	2.30
No	39.25	19.25	Noranda	9,569	34.50	35.00	32.85	33.25
No	.52	.30	Nor. Canada	1,700	.35	.33	.31	.31
No	.60½	.19½	Normont-Gold	68,390	.60	.60½	.59	.60
1	.34	.05	Osisko	......	.15	.....	.....	.....
1	.46	.11	Parkhill	19,600	.37	.39	.35	.37
1	.03½	.01	Pawnee Kirk.	......	.01½	.....	.....	.....
1	.29	.20	Paymaster	22,000	.24	.24	.20	.23½
1	1.80	.50	Pend Oreille	4,850	.78	.77	.70	.70
1	.04½	.00½	Peterson Cobalt	6,000	.02½	.02½	.01¾	.02½
1	16.25	4.30	Pioneer Gold B. C.	7,625	8.80	8.90	8.10	8.25
1	.03	.00¾	Porcupine Crown	......	.01½	.....	.....	.....
1	.01¾	.00½	Potter Doal	1,000	.00½	.00½	.00½	.00½
1	1.60	.55	Premier Gold	6,080	1.10	1.13	1.02	1.02
1	.03¾	.00¾	Preston E. Dome	......	.01	.....	.....	.....
No	1.75	.50	Prospectors Air's	200	.52	.52	.52	.52
No	.15	.03	Quemont	......	.10	.....	.....	.....
1	.51	.28	Read Authier	10,268	.30	.34	.30	.30
1	2.75	.70	Reno	8,250	.82	.81	.75	.76
1	.03½	.00½	Ribago	24,000	.01	.01½	.01	.01
1	.03	.01½	Ritchie	6,100	.01½	.01½	.01½	.01½
1	.04½	.01	Robb Montbray	500	.01½	.01¾	.01¾	.01¾
1	1.60	.75	San Antonio	22,317	1.38	1.40	1.30	1.30
1	.07	.02	Seven Troughs	......	.07	.....	.....	.....
1	1.90	.33	Sherritt Gordon	19,292	1.08	1.06	.94	.94
1	1.78	1.25	Siscoe	47,355	1.55	1.55	1.48	1.49
1	.10½	.02½	South Keora	2,000	.03½	.03	.03	.03
No	.16	.10	Stadacona (new)	36,220	.10½	.11½	.10	.11
1	.60	.07	St. Anthony	35,500	.43	.45	.40	.40
No	2.21	.60	Sudbury Basin	2,950	1.10	1.12	1.05	1.05
1	.15	.00¾	Sudbury Contact	3,700	.06	.06½	.05½	.05½
1	.02½	.00½	Sudbury Mines	10,500	.01½	.01½	.01½	.01½
No	.28	.16½	Sudbury Nickel	......	.21	.....	.....	.....
1	.38½	.14	Sullivan	31,600	.20½	.20	.18	.19
1	1.44	.72	Sylvanite	23,960	1.23	1.25	1.17	1.17
1	7.25	3.70	Teck Hughes	36,444	5.65	5.80	5.50	5.50
1	.22	.03	Thom. Cadillac	106,200	.18	.22	.18	.21½
1	.61	.10	Towagmac	2,200	.35	.37	.34	.35
1	3.00	.60	Treadwell	......	.75	.....	.....	.....
1	.25	.04	United Kirkland	100	.17	.20	.20	.20
No	.06½	.01½	Vacuum Gas	1,500	.01½	.01½	.01½	.01½
No	2.40	.30	Venezuela	......	1.06	.....	.....	.....
No	1.50	.71	Ventures	22,570	.82	.84½	.77	.77
1	.22	.01½	Vickers	2,500	.02	.01½	.01½	.01½
1	.75	.20	Vipond	17,124	.50	.51	.46	.46
No	1.80	1.15	Waite Amulet	6,699	1.51	1.50	1.25	1.25
50c	.75	.33	Wayside	164,200	.39	.40	.33	.33
No	.29	.18	White Eagle	73,500	.25	.24½	.22½	.23
1	.08	.02½	White Lake	500	.03	.03	.03	.03
1	.28	.02	Wiltsey Coughlan	15,400	.15½	.14	.12½	.12½
1	.27	.06	Wood Kirkland	5,350	.07½	.07½	.07	.07
No	8.60	3.73	Wright-Hargreaves	41,480	7.25	7.40	6.50	6.60
			OIL STOCKS					
No	.32	.07½	Acme Gas & Oil	19,600	.16	.17½	.15	.17
No	.01	.01	Advance Oils	......	.01	.....	.....	.....
1	.04½	.04½	Admiral	......	.04½	.....	.....	.....
1	.07	.04	Anaconda Oil	1,000	.04	.04½	.04½	.04½
1	1.60	.55	Ajax	2,350	1.12	1.15	1.05	1.05
1	.68	.05	Alta. Pacific	2,700	.20	.20	.16	.20
1	.20	.05	Amalgamated	3,500	.10	.11	.10	.11
No	1.10	.04½	Associated	2,275	.23	.24	.21	.21
No	.26	.01	Baltac	2,800	.08	.08	.06	.06
No	2.50	.25	Calgary & Ed.	1,125	1.03	1.03	.92	.94
1	.45	.03	Calmont	4,500	.12	.12	.11	.12
1	.25	.03½	Common. Pete.	1,000	.07	.07	.07	.07
No	2.50	.11	Dalhousie	4,186	.52	.55	.43	.46
No	.19	.02	Devenish	......	.10	.....	.....	.....
No	.55	.05½	East Crest	5,380	.25	.28	.26	.28
No	.36	.20	Erie Gas	......	.20	.....	.....	.....
No	.02	.00½	Fabyan Pete.	2,000	.00½	.01	.00½	.01
No	1.75	.06	Foothills	650	.40	.40	.35	.35
No	.28	.06	Freehold	1,300	.10	.09½	.09½	.09½
No	.12	.01½	Hargal	......	.08	.....	.....	.....
No	4.05	.30	Home	10,375	1.60	1.67	1.40	1.40
No	.05	.02½	Homestead	......	.02½	.....	.....	.....
1	.25	.10	Homestead O. & G.	2,700	.15	.15½	.12	.12
No	.47	.10	Lowery	200	.16	.15	.15	.15
No	.06½	.02½	Madison	5,000	.03	.03	.03	.03
No	.20	.05½	Marjon Oil	700	.10	.10	.10	.10
No	.10	.03½	McD. Segur Ex.	2,000	.06	.05½	.05½	.05½
1	.08½	.05½	McD. Segur N.	......	.07	.....	.....	.....
1	1.10	.25	McLeod	......	.30	.....	.....	.....
No	.30	.07½	Mercury	28,300	.17½	.18½	.17½	.17½
No	.45	.11	Merland	4,300	.20½	.22	.19	.19
1	.01½	.01	Mid West	......	.01½	.....	.....	.....
No	.35	.09	Mill City Pete	......	.16½	.....	.....	.....
1	.50	.12	Model	1,100	.24	.27	.24½	.27
5	.30	.09	Nordon	4,350	.14	.12½	.11	.11½
No	.12½	.02½	Oil Selections	8,100	.06½	.06½	.05½	.06
No	.20	.04	Okalta	100	.05½	.05	.05	.05
No	.61	.20	Olga Gas & Oil	500	.24	.25	.25	.25
1	.25	.13	Petrol Oil & Gas	1,900	.19	.17	.16	.16
No	.02	.02	Richfield	......	.02	.....	.....	.....
No	23.00	5.75	Royalite	3,466	18.00	18.00	17.50	18.00
1	.25	.05	Sarnia Oil	700	.08	.08½	.08½	.08½
No	.45	.04	South West Pete.	......	.10	.....	.....	.....
1	.39	.06	Spooner	200	.25	.25	.25	.25
No	.75	.12	Sterling Pacific	4,400	.40	.42	.36½	.42
	.43½	.43	Trinidad Oil	......	.43½	.....	.....	.....
No	.25	.03	United	6,000	.06	.07	.06	.06
No	.25	.06	Vanalta	1,300	.08	.12	.12	.12
No	.90	.83	Wainwright West	28,300	.....	.90	.83	.85

VANCOUVER STOCK EXCHANGE

(Transaction for Week to November 22.)

Par Val.	Range 1933 High	Low	Company	Sales	Close Nov. 15 (or last)	High for week	Low for week	Close Nov. 22
25c	.03	.00½	Bayview	......	.01½	.....	.....	.....
20c	.10½	.02½	Beaver Silver	5,600	.07	.07	.06	.06
25c	.17	.03	Big Slide	5,800	.04	.04	.04	.04
25c	.06½	.02	Bluebird	2,000	.02½	.02	.02	.02
No	13.00	1.38	Bralorne	3,673	9.60	9.75	9.00	9.00
1	.57	.05	Bridge River Cons.	15,850	.24	.24	.18	.18
50c	.71	.22	Bridge River Exp.	42,000	.35	.39	.22	.24
100	99.00	88.50	B. C. Electric, pfd.	5	88.50	99.00	99.00	99.00
1	.60	.33	B. C. Nickel	6,750	.48	.50	.45	.46
1	1.50	.60	B. C. Silver	100	1.00	1.00	1.00	1.00
No	.82	.52	Burns Mountain	......	.55	.....	.....	.....
1	4.60	1.50	Cariboo Gold	8,720	3.15	3.27	3.02	3.02
No	12.90	5.60	Coast Breweries	693	9.05	9.05	9.00	9.00
25c	.02½	.00½	Cork Province	3,000	.01	.01	.01	.01
1	.05	.02½	Cotton Belt	......	.05	.....	.....	.....
1	.08	.01½	Dalhousie Mines	......	.01½	.....	.....	.....
1	.21½	.02	Dunwell	1,419	.16	.15	.10	.13
1	1.00	.28	George Copper	300	.35	.33	.30	.30
50c	.12	.03	Geo. Enterprise	......	.03	.....	.....	.....
1	.09¾	.02	Georgia River	5,000	.02½	.02½	.02½	.02½
1	.60	.16	Golconda	6,500	.40	.43	.39	.41
50c	1.25	.35	Gold Belt	3,050	.38	.40	.35	.35
1	1.50	.95	Golden Belle	......	1.50	.....	.....	.....
50c	.11	.03	Grandview	7,100	.03½	.05	.03	.05
1	.01½	.00¾	Independence	9,000	.01	.01	.01	.01
1	.03½	.01	Indian Mines	......	.01½	.....	.....	.....
1	.17	.08½	Inter. Coal	1,500	.13	.13	.13	.13
1	.36	.36	Jack Waite	......	.36	.....	.....	.....
50c	.57	.18	Kootenay Belle	500	.22	.23	.23	.23
25c	.04	.00½	Kootenay King	......	.01	.....	.....	.....
25c	.01	.00½	L. & L.	......	.00½	.....	.....	.....
1	.01	.00½	Lakeview	10,000	.00½	.00½	.00½	.00½
10c	.06½	.01	Lucky Jim	1,000	.02½	.03	.03	.03
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
10c	1.05	.20	Meridian Min.	64,550	.28	.33	.28	.28
1	.10	.07	McGillivray Creek	1,100	.10	.07	.07	.07
5c	.13	.04½	Metaline Metals	......	.04½	.....	.....	.....
No	.12½	.12½	Minto Mines	1,000	......	.12½	.12½	.12½
25c	.01	.00½	Mohawk	......	.00½	.....	.....	.....
50c	.41	.15	Morning Star	10,600	.16½	.17½	.16	.16
50c	.17	.05	Mogul	......	.07	.....	.....	.....
1	.06	.00½	Morton Woolsey	1,500	.01	.01½	.01½	.01½
1	.29	.05	Native Sons	12,000	.06	.06½	.05	.06
50c	.10½	.01½	National Silver	20,939	.06	.06	.04½	.05½
50c	1.14	.74	Nicola	40,120	1.09	1.14	1.08	1.11
50c	.21½	.02½	Noble Five	32,670	.09½	.10	.07½	.07½
50c	.01	.00½	Oregon Copper	......	.01	.....	.....	.....
1	.35	.15	Pavilion	......	.15	.....	.....	.....
1	1.25	.40	Pioneer Extension	......	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	1,315	9.85	9.50	8.60	8.60
1	.11	.10	Planet	......	.10	.....	.....	.....
50c	.19	.04½	Porter Idaho	6,600	.12	.12½	.11	.11
No	.04	.00½	Premier Border	8,000	.01½	.01½	.01	.01
1	.10	.02	Quatsino Copper	......	.02½	.....	.....	.....
No	.42	.10	Reeves McDonald	1,000	.15	.15	.15	.15
1	.30	.25	Reliance	......	.27	.....	.....	.....
1	2.70	.60	Reno Gold	7,900	.78	.85	.79	.80
1	.22	.04	Reward Mining	7,300	.07½	.07½	.06½	.07½
1	.10	.01	Rufus Argenta	1,500	.03	.02½	.02½	.02½
1	.07	.01	Ruth Hope	......	.02½	.....	.....	.....
1	.65	.35	Sally Mines	300	.40	.40	.40	.40
1	.15	.03½	Silverado	800	.07½	.07½	.06	.06
25c	.09	.01	Silver Crest	3,200	.02½	.02½	.02½	.02½
20c	.03½	.01½	Silversmith	......	.03	.....	.....	.....
50c	.04½	.01	Snowflake	8,000	.01½	.01½	.01½	.01½
25c	.06	.06	Sonora	......	.06	.....	.....	.....
1	.61	.40	Standard Gold	......	.40	.....	.....	.....
1	.50	.20	Sunloch	350	.25	.20	.20	.20
5	.40	.20	Toric	......	.40	.....	.....	.....
50c	.03½	.00½	Topley Richfield	......	.00½	.....	.....	.....
	.49	.41	Taylor Br. River	3,850	......	.49	.41	.41
50c	.72	.08	Wayside	46,303	.37½	.40½	.38	.39
25c	.12	.01½	Waverly Tangier	78,500	.01½	.02	.01½	.01½
20c	.05	.01½	Wellington	2,000	.02	.02	.02	.02
No	.36	.20	White Eagle	4,400	.22	.25	.21	.24
1	.18	.03	Whitewater	4,100	.07½	.07	.06½	.06½
1	.48	.40	Yankee Belle	......	.42	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	7.61	McLeod Oils‡	5c.	.....
Bulolo Gold‡	60c.	.....	Mercury Oils	4c.	.....
Coast Brew	92c.	.....	Merland Oils‡	5c.	.....
Coniagas‡	12½c.	.....	Noranda‡	50c.	.....
Coniaurum†	3c.	.....	Petrol Oil	*2c.	.....
Cons. Smelters*	10%	.....	Premier	12c.	11.76
Dome Mines	$1+55c.	5	Pioneer B.C.	60c.	7.27
Falconbridge	20c.	.....	Royalite	$1	.....
Goldfield Cons.‡	5c.	.....	Siscoe	12+2c.	9.39
Hollinger	65c.+10c.	6.97	Sterling Pacific Oil‡	3c.	.....
Howe Sound	$1	.....	Sylvanite	4+3½c.	.....
Int. Coal & Coke‡	2c.	.....	Teck-Hughes	60c.	10.90
Lake Shore	$2+$1	6.66	Wright-Har.	20c.+10c.	4.54
McIntyre	1.87½	5.05			

*Stock. ‡Interim. †Initial. *Paid in 1932.

WE OFFER, AS, IF AND WHEN ISSUED

$175,000

Roman Catholic Episcopal Corporation

for the

Diocese of Toronto in Canada

(Now the Archdiocese of Toronto)

5% 10-Year First (Closed) Mortgage Sinking Fund Bonds

Dated: November 1st 1933 Due: November 1st 1943

Coupon bonds in denominations of $100, $500, and $1,000. Registration as to principal only. Principal and semi-annual interest (May 1st and November 1st) payable at the Provincial Bank of Canada in Montreal and Quebec and the Bank of Montreal in Toronto. Callable at par as a whole, or in part by drawing, on any coupon date, upon three months' notice.

Trustee: Capital Trust Corporation

THE BORROWER: The Archdiocese of Toronto includes the City of Toronto and the Counties of Dufferin, Lincoln, Ontario, Peel, Simcoe, Welland and York, with a total Roman Catholic population of 128,000. The parochial assets of the Diocese, churches, presbyteries and cemeteries belong to the Episcopal Corporation, whereas in the Province of Quebec each parish is a separate entity.

SECURITY: The present issue will be secured by a first (closed) mortage on improved property of an area of over 13 acres, located two small blocks west of Yonge Street between Bloor Street and St. Clair Avenue in the very centre of Toronto, and on the buildings thereon which consist of a large school building known as "De LaSalle Oaklands." This property was purchased at a total cost of $350,000. The School, which is directed by the Christian Brothers, is attended by 300 pupils. Any other buildings to be erected on the property would also be mortgaged in favour of the bondholders.

As additional security the bonds will bear the covenant of His Excellency Neil McNeil, Archbishop of Toronto, and thereby will be a general charge on the assets of the Archiepiscopal Corporation, amounting to $11,500,000 while the total debt, including the present issue, does not exceed $2,250,000.

REDEMPTION: There shall be created a sinking fund of $1,000 for the first year, increasing by $1,000 each subsequent year, sufficient to retire more than 30% of the issue by maturity. These funds will be applied to the retirement of the issue through purchases in the open market at par or less, or through drawings at par.

LEGAL OPINION: The procedure, trust deed and form of bonds will be verified by Messrs. Coffey & McDermott for the Archdiocese and by Messrs. Beaubien, Gadbois & Dufresne for the Underwriters.

PRICE: 100 plus accrued interest

Definitive bonds are expected to be ready on or about January 2nd, 1934.

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The information given above was obtained from the Archiepiscopal Corporation of the Diocese of Toronto. While unable to guarantee its accuracy, we are pleased to accept it as correct and to present it as such to our clients.

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Silver-Gold and Monetary Systems

The current issue of the "Mining Chronicle" deals with the increasing recognition of silver in world monetary systems, as well as the attractive possibilities of gold shares, brought about by the rising price of this metal.

Latest developments at several important silver and gold properties are also featured.

Copies will be mailed upon request.

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The Week in Mining

Flight of Gold Shares

THE flight of large blocks of shares in the dividend-paying gold mines from Canadians to investors in the United States in recent months has been one of the significant features of the trading in interlisted stocks. In the period from midsummer to late October, the migration of shares of one of Ontario's leading mines is told by the decreasing of Canadian ownership from 55 per cent to less than 35 per cent.

Earlier in the year unofficial reports had it that New York was a heavy buyer of this same stock but there is little to support this comment in the way of official records, but the buying from June on, during a period of peak prices for these same shares, indicates that Canadian investors are willing to part with their best mining securities at a price. Whether or not other Canadian investors will be stampeded into buying back these shares at still higher prices remains to be seen.

Many well informed traders see a real menace in Canadians parting with their mining securities because of the profit accruing because they fear there will be reinvestment in many cases in doubtful stocks that are likely to wipe out, not only their profits, but principal as well. During the last year informed Canadians have seen several attempts by New York interests to stimulate and boost Canadian mining shares, particularly of dividend payers. Much of the sponsorship by these New York interests only meant the unloading on Canadian investors of the holdings of these individuals after the shares had been boosted to unwarranted prices. It is not suggested that all of the buying by New York groups was designed for ultimate delivery to Canadians at higher prices, but issues that were not interlisted doubtless found many Canadian investors either susceptible to the bally-hoo or believing the already high market prices had not reached their peak.

* * *

N. S. Aids Gold Mining

BACKED by Government aid, Nova Scotia's long quiescent gold mining industry is being stimulated to new life. In the resuscitation officials must be chary or unscrupulous promoters will again take advantage of the Government aid to further their own ends and give the province a set back such as was experienced a few years ago when promotion was rife.

It is inconceivable that the rich ore shoots which produced some $20,000,000 and reached their zenith toward the end of the last century, have been entirely exhausted but if constructive and conclusive programmes of development are again to be inaugurated, close technical supervision is going to be required or capital for Nova Scotia gold mining, which in recent years has proven to be wary, will be frightened away indefinitely.

* * *

Profit Cut to 3,300 Per Cent

THERE has been a drop in the selling price of shares in the Amalgamated Gold Fields Corp., better known as the Blue Quartz Gold Mines, sponsored by H. C. Crowe of Toronto, according to a dispatch from the Investors Chronicle, London, England. Shares which were taken up at an average price of about 11½ cents by Canadian operators, according to the information filed under the Ontario Companies' Act, have been selling in London at around 22s. A more recent sale, however, came to the notice of Investors Chronicle in which £200 was paid for 250 shares. This decline from the peak price reduces the margin of profit between the selling price to the investor and the net to the treasury from 4,500 per cent down to a paltry 3,300 per cent.

Delta Mines Unit Holders Concerned Only in Exchange

At a meeting of shareholders of Delta Mines Synd. in Toronto on November 11, little or no information was given the Syndicate holders as to the ore developments, which attracted so much adverse comment in the press a few months ago. Unit holders were told that the University of Toronto was now making tests. Principal interest in the meeting centred upon what basis of transfer would be from the syndicate to the Delta Mines Co., incorporated last year. The original plan, unit holders were told, was to receive 200 shares in the incorporated company plus $300 in cash for each unit. But there is no cash to permit this exchange. It is understood that altogether some 2,700 units have been issued. The new plan proposed is 275 shares in the company for each unit, in lieu of the cash.

One attendant of the meeting expressed surprise to The Financial Post that considering there were some 200 unit holders present so little concern was expressed for the mine-making possibilities of the property.

"THE COMING COLLAPSE IN GOLD"

Our Statistical Department has prepared a digest of L. B. Angas' study of the gold situation and the gold stocks.

Mr. Angas is the author of "Coming Rise In Gold Shares" (January, 1931); "Coming Collapse In Rubber" (1926); and "Coming Rise in Wall Street" (April, 1933). He is generally regarded as England's most accurate financial adviser.

Copies of our summary may be had on request.

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Canadian Mining News

TIBLEMONT TWP. HAS MANY FINDS BEING EXPLORED

Road Being Cut to Connect Senneterre With Montreal

Tiblemont township, whose northern boundaries lie some six miles south of Senneterre, Quebec, on the Canadian National Railway, is attracting attention on account of the exploration and activity centred about the development of the Tiblemont Island property.

Interest was first attracted to the area, which lies about 30 miles due east of Siscoe Gold Mines, when the Hollinger Consolidated Gold Mines took an option on the Woods group of claims on the east shore of Lake Tiblemont. While Hollinger did not proceed with this option, rumor has it that terms have been revised and that further work is to be done. One of the pioneers of the area, Alfred Reeve, also a pioneer of the Gowganda silver area, has staked an island in Lake Tiblemont just off the shore from the Woods claims. To the north of this property the Jacob-Smith claims are being aggressively explored with good results.

Let Tunnelling Contract

On Tiblemont Island near the northern boundary of the township and at the northerly end of Lake Tiblemont the Tiblemont Island Mining Co. has an aggressive programme of development under way. A complete mining plant was delivered several weeks ago and a contract has been let for 700 ft. of tunnelling into the hillside, which is designed to open up the rich surface showings at depth. It is planned that upon driving this tunnel various veins will be prospected and a decision reached whether to explore them individually or to determine the possibilities of the whole mineralized zone, some 500 ft. in width, which gave indications of average assays of about $3.50 over the whole width.

A complete set of camp buildings has been completed at the portal of the tunnel and arrangements are made to replace the portable gasoline compressor with a larger unit. The western side of the island is separated from the mainland and a motor road by only a narrow channel. Officials have in mind narrowing the channel by filling in with waste rock. This will give short direct contact with the main road leading to Senneterre, less than ten miles away.

Many Groups Active

Near the southern extremity of the township four or five other groups are conducting active exploration work. To the west of Fish Lake the Quebec Eureka Gold Syndicate has done considerable work, tracing a vein in the main break for some 2,500 ft. Five or six other quartz veins have been located showing widths from one to two ft. Samplings from these veins are reported to have given encouraging values.

To the south of the Quebec Eureka the Reeve-McKay interests have a block of claims, while adjoining these on the east are the holdings of the South Tiblemont Mining Syndicate, the Croteau group of claims and adjoining these again on the east are the Sweet-Martin group.

In addition to the main motor road extending along the west side of Lake Tiblemont and Bell River to Senneterre there is a road cut on the east side of Bell River which connects Senneterre with the Woods group of claims and is now being extended into the southern part of the township as an outlet to the properties around Fish Lake.

Of great importance to the accessibility to this area and to North-western Quebec area in general is the announcement of the Hon. J. E. Perrault, Minister of Mines and Highways, Quebec, of his plan to extend the Senneterre-Tiblemont motor road to connect up with the highway at Mount Laurier, some 200 miles southeast and about 80 miles due north of Ottawa. Already as an unemployment relief programme some 3,000 men are at work cutting bush which is designed to be the ultimate site of a motor road that will make Senneterre readily accessible from Montreal via Mount Laurier. Upon the completion of this new highway link with Montreal, an area heretofore almost inaccessible except through canoe and aeroplane, will be opened up and not only speed the development of many mineral resources, but open up a lake district that is said to have attractions for tourists.

Quebec Gold Mining Corp. Shares Are to Be Listed

Officials of Quebec Gold Mining Corp. announce that an application has been made for listing shares of the company on the Montreal Curb Market. The corporation is a prospecting and development organization and holds substantial interest in the R[illegible]dall mine and two blocks of claims in Rouyn township, adjoining the Chadbourne claims of Noranda Mines. It also holds an option on two-thirds interest in Halliwell Gold Mines; two groups of claims in Tiblemont Township, and has become associated with the Big Missouri Mines Corp. in connection with the further exploration and development of the company's subsidiary, the Buena Vista Mining Corp., which is under development by Consolidated Smelters.

Quebec Gold Mining To List Shares on Curb

From Our Own Correspondent

MONTREAL.—Permits to cut 841,000,000 feet of lumber in Quebec this winter have been issued by the Provincial Department of Lands and Forests. In less than a month new contracts for 115,000,000 feet have been signed and altogether a total of 187 companies will be operating in the province this winter, providing employment for approximately 25,000 men. The Lake St. John region will be the most active. It is estimated that the provincial cut will show an increase of 350,000,000 feet over last year's figures.

Yukon Consolidated Gold Mines.—The company which successfully contested a legal action this summer against its former president, A. N. Treadgold, is faced with suit as Treadgold has won an appeal and has posted the required $2,000 for a new trial.

Nova Scotia Gold Mining Now Being Revitalized With Government Help

Areas Long Dormant Now Active With Gold at $30 Per Oz.

FIRST LODE MINING

Production $20,000,000 From 1860 With 1902 as the Record Year With $627,357

With gold selling at 50 per cent above its normal value, Canada's earliest gold producer, Nova Scotia, is being revitalized after a period of quiescence. The present government of Nova Scotia with the Hon. Michael Dwyer as Minister of Mines is actively co-operating with the owners of worthy gold prospects in an effort to again establish this long neglected industry on a sound footing so that it will attract further capital to the province.

Nova Scotia has the longest continuous record of lode gold production in Canada. Following the discovery made by one, John G. Pulsiver of gold at Mooseland in 1860, production was waged more or less continuously and in 1869 no less than 73 companies were active and some 55 mills of varying sizes were in operation. The peak production was reached in 1902 with an output valued at $627,357. The official record of production from the province to date is approximately $20,000,000 but this does not adequately represent the gold recovery as, particularly in the early days, much production escaped official eyes and government royalty.

Gopher Holed

One has to review the early gold mine operations of Nova Scotia to understand the quiescence that has prevailed while the rest of the Dominion has forged ahead in exploration for gold. Originally, leases 20 ft. by 50 ft. were fixed by the Crown at a yearly rental of $20. This was later increased to 50 ft. by 150 ft. with the result that gopher holing rather than mining was introduced and with leases of this size it was neither practical nor profitable to sink deep shafts, with the result that little or nothing is known even today, of the gold mining possibilities beyond 1,000 ft. depth. Even in the larger and later operations, mining methods as they are understood today by the big producers of northern Ontario, were never introduced and the record of Nova Scotia's goldfields has been established by a glorified gopher holing with the milling and extraction methods forming an obsolete counterpart to the primitive mining.

Some claim that these early miners and mining operations were most effective and that a thorough job was done despite the primitive methods and practices employed. Suffice it to say that practices in gold mining which have been developed in the last 15 years have found no place in Nova Scotia's goldfields and it yet remains for some well directed effort to prove or disprove the future of the industry in the province.

Many Exploitations

In the past two decades, following the Porcupine area of Ontario coming into importance, efforts have been made by unscrupulous promoters to exploit Nova Scotia's goldfields. Almost without exception these exploitations have been on the public purse with little or no proper technical direction toward rehabilitating the properties and thus in recent years a further setback has been given to Nova Scotia's goldfields. Another factor in the exploration of Nova Scotia's goldfields that has been important is the migration of its prospectors and miners to other parts of the Dominion and in this connection it is interesting to note many prospectors from Nova Scotia have won recognition in other parts of the Dominion, notably the Kenty brothers who are very much in the public eye for their discovery in the Swayze area of Ontario a couple of years ago.

New Act Passed

This summer an Act for assisting the gold mining industry of Nova Scotia was passed and is being administered by the Hon. Michael Dwyer, the present Minister of Mines. The attitude of the present government toward gold mining more than anything else is serving again to attract attention to the possibilities existing. In a tangible way the government is rendering financial assistance and is empowered under the Act to assist on such terms and conditions as operation might dictate.

In 1899, E. R. Faribault, of the Geological Survey of Canada, stated that the problem of the development of Nova Scotia's goldfields consisted in developing zones and that possibilities to depth were practically unlimited. This problem, he said, would prove interesting to mining engineers and only awaited their skill and knowledge to put gold mining into practical operation and place Nova Scotia's goldfields among the most productive in the world. In 1926 Mr. Faribault again repeated his recommendation and he is recognized as being familiar with the geology of Nova Scotia as are few engineers.

New Gold Mines Department

Early this year Robert W. Brigstocke, a well known mining engineer of Toronto, investigated the property of the United Goldfields of Nova Scotia which are being aided through the government's present plan and reported in part: "I am very glad you are taking such a keen interest in gold mining matters and hope all good business men in Nova Scotia and Queen's County, in particular, will follow you and that nothing but good business procedure shall dictate expenditures."

In turning back the pages of history and the reports made by eminent engineers on Nova Scotia's goldfields, one is impressed by the number of so-called prominent engineers, who, in a cursory examination and many times never going underground, wrote reports that were derogatory to the possibilities in store.

Buffalo-Ankerite Pays Extra Dividend

Buffalo-Ankerite Gold Mines has announced an interim dividend of three cents per share, payable December 15 to shareholders of record December 1.

The first semi-annual dividend of five cents per share was paid on August 15 this year and a similar disbursement is to be paid on February 15, next year, bringing the total disbursements within a six months period to 13 cents per share, calling for a total disbursement of $70,200.

The government of Nova Scotia has just established a department of gold mining to deal exclusively with the affairs of the industry in the province.

Many Properties Active

As evidence that gold mining is being revitalized it is interesting to note the activity at the following properties:

At the King-Fissure property, operated by the United Goldfields of Nova Scotia, a 25-50 ton mill has been installed under the Government's financing plan and preparations made for taking production from the 400-ft. level on the "King" vein, to which a three-compartment shaft was sunk in 1932. Electric power for operations is supplied by the Nova Scotia Power Commission. This property comprises some 1,000 acres under Crown lease in Queen's County, Brookfield district, about 35 miles from Liverpool, with a highway and railway passing through the property.

Locarno Gold Mines is rehabilitating a property adjoining the Boston-Richardson in Stormont Township. In August of this year it started a small stamp mill.

The Renada Gold Mines was incorporated this year to take over the Boston-Richardson property, formerly the largest producer in Nova Scotia. This property is also in Stormont township.

In Hants county the Renfrew Gold Mines, controlled by M. J. O'Brien, resumed operations in 1932. In August of this year the company was proceeding with core drilling for further information regarding the structure. In the Central Rawdon gold area of Hants County, the Hants Gold Mines plans deepening the shaft to the lower levels and bringing the mill on the property into operation.

While this is indicative of the larger efforts underway, there are literally dozens of properties being examined and efforts are being made to again bring them into production.

At the Mines

Bobjo Mines—The company has taken a working option on a group of claims in Strathy Township, Ontario, owned by Manitoba & Eastern Mines. Under the terms of the option shares in the company will be taken down as work is completed which will give the company control if and when all options are exercised.

Under the direction of H. R. Bissell a diamond drilling programme has been started. No. 1 ore zone has been sampled over a length of 80 ft. showing an average assay of $10.50 over a width of 6.7 ft., while three 800-pound samples shipped to Ottawa returned $7.80, $12 and $77.60 respectively.

* * *

Four Nations Consolidated Gold Mines—Arrangements are under way to form a limited company to succeed the present syndicate, after which application will be made for listing the shares on the Standard Stock & Mining Exchange. Dewatering of the company's property, just west of the producing section at Kirkland Lake, has been completed.

* * *

Hislop Gold Mines—Financial arrangements are announced whereby 1,000,000 treasury shares will be taken up to further explore the company's property in Hislop Township, Ontario, nine miles east of Matheson. After incorporation in 1928 a shaft was sunk to a depth of some 55 ft. and it is now planned to deepen it to 250 ft. and explore the rich surface showings at depth.

* * *

Lee Gold Mines—Diamond drilling at the company's property in Greenlaw township in the Swayze area of Ontario has proved the vein system over a length of 1,100 feet, according to official report. Bore holes over a length of 455 feet showed commercial values. Mine and camp buildings for the accommodation of 35 men have been completed and plans now call for shaft sinking.

* * *

Meridian Mining Co.—At the company's property on Lexington Mountain in the Lardeau mining division of B. C. the extension of the No. 7 tunnel on the Eva claim has reached its immediate objective, approximately 650 feet under the glory hole on the Highland Mary claim, worked in the early days of the property.

* * *

Pend Oreille Mines & Metals.—Gross earnings for the three months ended August 31 are reported at $95,000 with a net profit of approximately $45,000 from the company's property located just south of Trail, B.C., in Washington.

* * *

Read-Authier Mines. — Diamond drilling is proceeding at the company's property, 700 feet north of the boundary of Lamaque Gold Mines, under development by Teck-Hughes. A new strike is reported with the vein running from nine to 12 feet in width, giving high values in gold.

* * *

Stadacona-Rouyn Mines — Drifting on the 300-ft. level is to be undertaken before deepening the shaft which will then be proceeded with to open up the mineralized zone which has indicated diamond drilling to a depth of 1,400 ft.

* * *

Sullivan Consolidated Mines — The option agreement between the company and Ventures Ltd., which has been financing and developing the property, is cancelled, according to advice from Montreal. It was announced about a month ago that work had been suspended pending the revision of financial arrangement. A crew is keeping the property dewatered, while new negotiations with other financial interests are under way.

HURONIAN GROUP APPROVES MERGER

New Company Starts With Liquid Assets of $5,000,000

At a special meeting of shareholders of Huronian Mining & Finance, Keeley Silver Mines and Vipond Consolidated Mines, called to consider a merger with the newly formed Anglo-Huronian Mines Ltd., approval was given without discussion. Under the terms of the consolidation, shares of the new company, which has a capitalization of 2,000,000 no par value common shares will be exchanged for shares in the three merging companies. The exchange of shares will require approximately 927,064, while rights offered, if entirely exercised, will require an additional 324,473 shares, which together with a further 1,068 shares, representing the surplus on adjustment will bring the total outstanding capitalization of the new company to 1,252,605 shares. The entire capitalization is to outstanding and the unissued treasury shares will be firmly underwritten by the Transvaal Agency, Ltd., R. Home Smith and Andre Dorsman. The combined liquid assets of the three companies forming the merger are said to have a present market value at the present time of close to $5,000,000.

Olga Gas & Oil Output Sold to Southern Ontario

Olga Gas & Oil Co. is starting to reap the benefits of the contract signed last August for the sale of its production to the Southern Ontario Gas Co. Under the terms of the contract Southern Ontario takes the production from the company's four producing wells in Raleigh township, Kent County, Southwestern Ontario, up to 9,000,000 cu. ft. per month during the six winter months starting October 1, at a price of 25 cents per 1,000 cu. ft. The remainder of the year it is to take 3,000,000 cu. ft. per month at the same price. Of this production a ten per cent royalty goes to the Union Gas Co.

The company has some 3,000 acres checkerboard over Raleigh Township on which five wells have been drilled, one of which was a dry hole. With steady income assured the liquidating of the company's indebtedness, some $40,000 in extent, is under way. About 870,000 shares are issued out of the authorized capitalization of 1,000,000 shares.

Shippers to Trail Smelter Number 74 in 10 Mos. of '33

No less than 74 individual shippers sent ore in varying amounts to the customs smelter of the Consolidated Mining & Smelting Co., at Trail, B.C., in the first 10 months of this year, according to official figures.

The aggregate production of these shippers was 21,096 tons, as compared with 339,444 tons received from the company's own mines. The following tabulation shows the shippers and the tonnage sent in the first ten months of this year.

ORE RECEIPTS—JAN. TO OCT., 1933

Mine	Location	Dry Tons
Anchor	Greenwood, B.C.	1
Arlington	Erie, B.C.	28
B. C. Cariboo Gold	Aldridge, B.C.	39
Beaver Silver	Beaverdell, B.C.	41
Bell	Beaverdell, B.C.	1,373
Ben Hur	Republic, Wash.	243
Big Boy	Clayoquot Sound, B.C.	29
Blaine	Republic, Wash.	38
Bosun	Sandon, B.C.	20
Boulder City	Salmo, B.C.	57
Bunker Hill	Nelway, B.C.	50
Butcher Boy	Carmi, B.C.	28
Cadillac	Cobalt, Ont.	1
California	Nelson, B.C.	65
Carmi	Carmi, B.C.	270
Columbia	Salmo, B.C.	23
Daryl	Nelson, B.C.	1
Dynamo	Greenwood, B.C.	20
Evening Star	Rossland, B.C.	53
Golden Axe	Chesaw, Wash.	40
Gold Drip	Rossland, B.C.	22
Gold Drop	Greenwood, B.C.	31
Gold Viking	Slocan City, B.C.	6
Georgia	Rossland, B.C.	6
Grandore	Penticton, B.C.	220
Granite	Taghum, B.C.	552
Grey Copper	Sandon, B.C.	2
Highland Lass	Beaverdell, B.C.	574
Humming Bird	Apex, B.C.	25
I.X.L.	Rossland, B.C.	224
Keystone	Erie, B.C.	296
Knob Hill	Republic, Wash.	1,013
Kootenay Belle	Salmo, B.C.	504
Little Daisy	Silverton, B.C.	8
Mammoth	Silverton, B.C.	29
Midnight	Rossland, B.C.	107
Molly Hughes	New Denver, B.C.	8
Morning Star	Oliver, B.C.	265
Mountain Lion	Republic, Wash.	788
Mountain Lion Lease	Republic, Wash.	176
Noble	Stewart, B.C.	30
Nicola Metal Mines	Nicola, B.C.	9
North Star	Greenwood, B.C.	38
O'Brien	Cobalt, Ont.	161
O.K. Mine	Rossland, B.C.	30
Old Gold 3	Republic, Wash.	438
Overtop	Myncaster, Wash.	40
J. Paul Mining Co.	Rock Creek, B.C.	8
Perrier	Nelson, B.C.	292
Pool Mountain	Camborne, B.C.	1
R. O. Reimertson	Boundary, Wash.	1
Reno	Salmo, B.C.	37
Rio	Retallock, B.C.	35
Royal Canadian	Nelson, B.C.	27
Ruth	Sandon, B.C.	41
Sally	Beaverdell, B.C.	94
Sanca	Sirdar, B.C.	119
Second Chance	Erie, B.C.	2
Second Relief	Erie, B.C.	123
Spring Creek	Erie, B.C.	2
Standard	Silverton, B.C.	60
Surprise	Republic, Wash.	68
Trevitt	Republic, Wash.	2
Twin Lakes Mining Co.	Penticton, B.C.	38
Tiger	Beaverdell, B.C.	19
Union	Lynch Creek, B.C.	220
Victor	Sandon, B.C.	32
Vancouver	Salmo, B.C.	127
Venus Juno	Nelson, B.C.	29
Victoria	Oliver, B.C.	3
Wellington	Beaverdell, B.C.	605
Wilcox	Ymir, B.C.	144
Yankee Girl	Ymir, B.C.	10,945
Total Customs		21,096
Total Company		339,444
Grand Total		360,540

Golden Summit Mines Is Working Steadily

Working steadily for the past two years, Golden Summit Mines is now putting on two shifts daily to speed its development programme. Within the past twelve months over 1,000 ft. of crosscutting and drifting has been done on the 125-ft. level and plans now call for deepening the main two-compartment shaft from the 125 to the 500-ft. horizon. New levels will be established at 375 and 500 ft. levels where lateral work will be pressed.

The company's property comprises 11 claims, 460 acres in Maisonville and Grenville townships in the Kirkland Lake district, about one mile east of Sesekinika Station on the T. & N. O. Railway. The company has an authorized capitalization of $2,500,000 in $1 par value shares of which 250,000 were outstanding on June 30 last. The company reports no liabilities with sufficient cash to continue its programme.

New camp buildings to accommodate 30 additional men have just been completed and officials are already talking of mill construction next year. Ore developments are reported as satisfactory by officials with a new vein recently uncovered, but no particulars of ore development have been published.

Gypsum, Lime Elect New Executive Managers

From Our Own Correspondent

MONTREAL. — Directors of Gypsum, Lime & Alabastine (Canada) announce appointment of Fred Andrews as general manager and H.H. Phillips as sales manager of the company. Mr. Andrews has occupied various executive positions with the company for several years, while Mr. Phillips has supervised the export business for the past 13 years.

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NOVA SCOTIA
The Mineral Province of Eastern Canada

The Arms of Nova Scotia

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IRON,
COPPER,
GOLD,
LEAD,
SILVER,
MANGANESE,
GYPSUM,
BARYTES,
TUNGSTEN,
ANTIMONY,
GRAPHITE,
ARSENIC,
MINERAL PIGMENTS,
DIATOMACEOUS EARTH,
SALT,
CERAMIC MATERIALS,
MONUMENTAL STONES,
SLATE.

Nova Scotia has the only coal deposits situated on the Atlantic seaboard of North and South America, and has the largest single unit of the Canadian Coal Mining Industry.

Metallurgical and Domestic Coke of the highest quality is produced. It is absolutely unrivalled for heating purposes.

The province contains numerous districts in which occur various varieties of iron ore, practically at tide water and in touch with vast bodies of fluxes. Deposits of particularly high grade manganese ore occur at a number of different locations.

The gold fields of the province cover an area approximately 3,500 square miles. The gold is free milling and is from 870 to 970 fine. Marked development has taken place in this industry in recent years and the annual output is steadily increasing.

Enormous beds of gypsum of a very pure quality and frequently 100 feet in thickness are situated at the water's edge. High grade cement-making materials have been discovered in favorable situation for shipping.

At Malagash there are extensive beds of rock salt of good quality. This is being successfully mined. Potash salts are found in association with the rock salt, and indications are that these may prove valuable at depth.

Government core-drills can be had from the department for boring operations.

Prospecting and Mining Rights are granted direct from the Crown on very favorable terms.

The available streams of Nova Scotia can supply at least 500,000 h.p. for industrial purposes.

Copies of the Mining Law, Mines Reports, Maps and other Literature may be had on application to

Hon. Michael Dwyer, *Minister of Mines*

PROVINCE OF NOVA SCOTIA
HALIFAX, CANADA

Index to Mining Shares

The weighted index number of 20 mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 108.3 for the week ending November 23, as compared with 112.7 for the previous week.

Eleven gold stocks fell from 109.0 to 103.5, four gold-copper stocks from 139.4 to 138.1 and five silver and miscellaneous stocks from 42.4 to 39.8.

Larger Timber Cut

Unofficial reports reaching Quebec City are to the effect that there will be 20,000,000 feet of timber cut in the Abitibi country during the winter. Recently there has been a considerable improvement in activity on the part of lumber mills, it is reported, although prices for pulp wood and sawn timber are still low.

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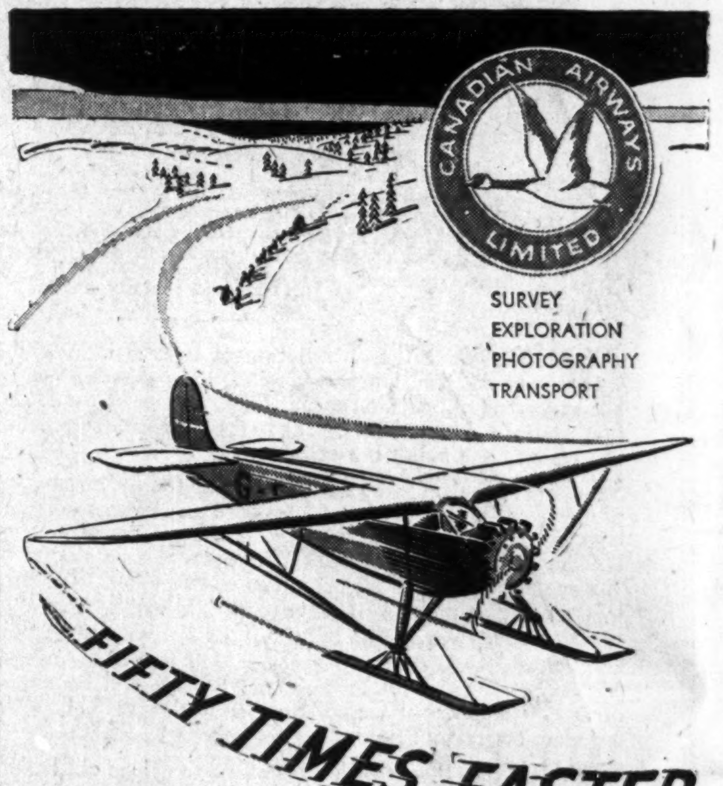

Mail by dog team meant months of isolation.

Mail by plane provides close contact with civilization and close contact is essential to progress.

The air mail is but one phase of the "speeding-up" which today is characteristic of the Northland.

Domestic, mining and medical supplies are delivered by air fifty times faster than when ground transport only was available.

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